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Israel, Citing Impasse, May Put Off Talks With Arafat

By Clyde Haberman
New York Times Service

JERUSALEM — Israeli officials said Friday that disagreements with Palestinian negotiators are so serious that they may call off a meeting planned for next week between Prime Minister Yitzhak Rabin and Yasser Arafat, chairman of the Palestine Liberation Organization.

Postponement of the meeting, a follow-up to a failed attempt by the two leaders last Sunday to settle their differences, would mean further delays in the start of Palestinian self-rule in the occupied West Bank and Gaza Strip under the outline agreement signed by Israel and the PLO in September.

A shift of authority to the Palestinians and a companion withdrawal of Israeli forces were supposed to have begun Monday in Gaza and the West Bank town of Jericho. But because of an impasse over security issues, and the leaders' inability to resolve it, that target date passed with no change in the occupied territories. Some officials suggest that the deadlock could stretch into the new year.

[Foreign Minister Shimon Peres of Israel and a PLO delegation will meet in Norway within 48 hours for talks on carrying out Palestinian self-rule in the occupied territories. Reuters quoted a PLO envoy as saying Friday night in Oslo.]

[Omar Kitmitto, the PLO representative in Norway, said the PLO delegation would be headed by Mahmoud Abbas and that the two sides would discuss differences over control of border crossings, the size of the self-rule area around Jericho and security for Jewish settlements.]

According to Israel Radio, Mr. Rabin and See ISRAEL, Page 5



A Palestinian woman making a victory sign Friday during a rally in Gaza City by Hamas, the militant group that opposes the peace accord signed by the PLO and Israel.

IBM to Slash Up to 13,000 Employees In Europe

Half of Layoffs to Come In Germany as Firm's Cost-Cutting Takes Hold

By Jacques Neher
International Herald Tribune

PARIS — IBM will slash up to 13,000 jobs in Europe, or nearly 17 percent of its workforce, over the next 18 months with about half of those cuts in Germany, the company's European branch disclosed Friday.

"There's a backlog that we have to get rid of as soon as possible," said Hans-Olaf Henkel, the new head of International Business Machine Corp.'s largest regional business group.

Mr. Henkel, who was named chairman of IBM Europe on Thursday and will assume the post Jan. 1, said a minimum of 10,000 employees would be asked to leave or be laid off next year, and that 2,000 to 3,000 more jobs could be eliminated, depending on the resistance from European governments and unions.

The layoff announcement is the first indication of bow IBM's global restructuring plan would affect its European operations. In July, Louis V. Gerstner, who took over as chairman at IBM last spring, announced an urgent cost-reduction effort that called for the departure of 35,000 employees as the company took an \$8 billion provision on second quarter earnings.

Separately, IBM shares rose sharply Friday on the New York Stock Exchange, closing at \$39.75, after an analyst raised his earnings outlook for the company. (Page 10)

Mr. Henkel expressed frustration with efforts to cut staff in France, where he said the government was increasingly resistant to private-sector layoff plans since a restructuring effort by the state-owned airline, Air France, led to a violent strike in October that grounded the carrier and blocked Paris airports.

He said that most of the departures would be carried out before the end of 1994, but that "in some countries, like Germany, it may take a little longer."

A spokesman said that a majority of the departures would be voluntary.

But "depending on the environment" in different countries "we will have to make use of involuntary separations," Mr. Henkel said.

The cuts would bring IBM's payroll in Europe down to as little as \$4,000 from 7,000 currently. At the end of 1990, IBM employed 110,000 people in Europe.

Mr. Henkel, who previously was chairman of IBM Germany, said Germany would suffer the brunt of the European cost-cutting, with about 6,000 jobs, mostly in manufacturing, to be eliminated over the next two years. IBM, which employed 25,000 in Germany last year, will have 16,000 by the end of 1995, he said.

He would not say where the other cuts would fall, but hinted that he would like to ebb the payroll at IBM France, which employs 18,000 people, but is being frustrated by the government.

"France is making collective layoffs impossible," he said. "It's become very difficult since the Air France strike."

Although Mr. Henkel said he was anxious to "get this downsizing behind us," industry watchers said the job reduction plans could become an annual event for the company.

"This is a moving target," said Philippe de Marcellis, an analyst with Dataquest in Denham, England. "The employment requirements of the information technology sector are not entirely understood, and the European market has become very difficult for IBM."

Mr. Henkel, 54, is replacing Renato Rivero, who is retiring. The new chairman said the cuts would go hand in hand with a "re-engineering" of the way IBM operates across Europe.

"With less people, we have to do more work," he said, noting that every day 2,500 IBM employees are undergoing training at the company's 26 education centers. In order to sell more

North Korea Denounces U.S. Offer on Nuclear Inspection

By David E. Sanger
New York Times Service

SEOUL — North Korea's latest scathing denunciation Friday of the latest U.S. offer of a "package deal" that would offer limited rewards to the North for allowing inspectors back into nuclear sites, saying there is "nothing new in it" and charging that Washington is "laying artificial obstacles" to a diplomatic solution.

The announcement by North Korea's Foreign Ministry marked the first response to the proposals made by the United States in a meeting with North Korean officials Dec. 10. While it stopped short of rejecting the proposals outright, it clearly worried South Korean and American officials, who have said in recent days that they thought North Korea might accept the core of the deal.

"We can only hope that in private they are a little more positive," a South Korean official said. So far, the North has apparently not responded to the offer, which would cancel a major military exercise in South Korea and lead to talks over economic aid and diplomatic recognition if North Korea allowed full inspection of its nuclear facilities and began an active, continuous dialogue with South Korea.

Both South Korean and American officials have described their offer as their last one before seeking sanctions in the Security Council. But they conceded that it differs little from a proposal made late last month, except in the timing of canceling the military exercise, known as Team Spirit, and other relatively minor modifications.

For example, it would still require North Korea to open all seven of its declared nuclear sites to inspectors from the International Atomic Energy Agency. The North had proposed opening five, and giving only limited access to the two that the United States suspects would reveal how much plutonium the North has produced.

In the statement Friday, North Korea seemed particularly agitated by American warnings that action by the United Nations would be the next step. "In case the last opportunity of a negotiated settlement of the nuclear issue should be lost because of the unreasonable act of the United States threatening our existence today, it would be the United States that would regret this," it said.

It also objected to the requirement that North and South Korea proceed immediately with an exchange of special envoys who would negotiate over a broad range of issues.

Nonetheless, the statement was worded in a somewhat tentative way, leaving open the possibility that the North may yet take part of the deal.

BBC Film Adds Chill to Links of U.K. and China

Compiled by Our Staff From Dispatches

LONDON — A BBC documentary about Mao Zedong, including reported sexual escapades with young girls, has cast a further chill over relations between China and Britain.

The Chinese Embassy accused the British Broadcasting Corp. on Friday of making the hour-long program for political reasons, but it said that nothing could sully Mao's place in history.

"It only serves to lay bare the degeneration of journalistic ethics on the part of the producers," the embassy said, "and their political motivation of hostility toward China and the Chinese people."

The embassy added the BBC was "fully aware of the consequences" if it broadcast the program. But a spokesman added that he was unable to say what the consequences would be.

Britain is already at odds with China over plans to change the way Hong Kong is governed before the colony reverts to Chinese control in 1997.

The BBC said the documentary, "Chairman Mao — The Last Emperor" to be broadcast on Monday, included an interview with Mao's former doctor saying that the Chinese leader indulged in sex with young girls.

In another interview, a Chinese writer says that cannibalism was encouraged by some of Mao's supporters, the BBC said.

"We emphasized that the BBC is editorially independent and they would have to take the matter up with the BBC," a Foreign Office spokesman said.

The Chinese Embassy spokesman, Lin Qingyun, said China regarded the response as unsatisfactory. Mr. Lin said Chinese diplomats met with BBC officials a few weeks ago to discuss the program.

"This documentary is a pure slander on Chairman Mao" made by people "with ulterior motives," Mr. Lin told The Associated Press.

A BBC spokeswoman, Heather Clarke, said there was no political motivation behind the documentary, produced by an independent film maker, Jeremy Bennett.

The program, part of the "Timewatch" historical series, "marks one of the leading figures of the 20th century on the centenary of his birth and to just one of many subjects in this series," she said.

The film reveals "the true nature of Mao See RIFT, Page 5

Ulster Protestants to Study Peace Bid

LONDON (WP) — Protestant paramilitary groups in Northern Ireland said Friday that they would not immediately call a halt to their violent campaign, despite a peace initiative earlier this week from the British and Irish governments.

But the Protestant groups, like their Roman Catholic opponents in the Irish Republican Army, declined to reject the joint British-Irish declaration out of hand. The Protestants said they would continue to study the document, issued Wednesday by Prime Ministers John Major of Britain and Albert Reynolds of Ireland, and make a fuller response later.

The reaction came from the Combined Loyalist Military Command, an umbrella group for Northern Ireland's various Protestant factions, including the Ulster Freedom Fighters and the Ulster Defense Force.

Book Review Crossword Page 7, Page 17.

Dow Jones		Trib Index	
Up	25.43	Up	0.82%
3,751.57		110.14	

The Dollar		Previous Close	
DM	1.7094	1.7094	
Pound	1.486	1.4873	
Yen	110.195	109.55	
FF	5.838	5.8385	

Where in the world is the powder? Check the weekend ski conditions. Page 18.

Return to the Potomac Inman Kept Finger on Pulse of Power

By Elaine Sciolino
New York Times Service

WASHINGTON — More than a decade ago Bobby Ray Inman left Washington in a huff, vowing never to return. The city was too mean, the bureaucratic infighting too enervating, the backbiting too intense, he told intimates after serving 16 uncomfortable months as deputy to William J. Casey, who was then director of Central Intelligence.

Shucking a long government career, Mr. Inman went home and set up a business in Austin, Texas. But his heart never left the Potomac. Using the tools he had acquired as a four-star admiral and a spy-master — stealth and discipline — he managed to keep his finger on the pulse of power.

"I am an operator," Mr. Inman, 62, said bluntly on Thursday after President Bill Clinton announced his nomination to succeed Les Aspin as secretary of defense. "Hopefully with a strategic view."

Although he may have been using the expression the way people in uniform use it — to make the point that he had not been just a desk-bound paper-pusher during his 31 years in the U.S. Navy, but also a man in the field — it was natural that those who know him interpreted the word differently.

"Operator: that's arguably the magic word," said Robin West, a petroleum executive who has known Mr. Inman for nearly two decades. "He's a brilliant creature of the inside, a man who can help educate the president."

Mr. Inman is one of those Washington figures whose accomplishments and peculiarities have made him a legend around Washington and a fixture on corporate boards and government commissions, although his name is probably unknown to most of America.

Senior administration officials say he brings to his new job three qualities that Mr. Aspin has: a keen eye for detail, a strong sense of loyalty and a willingness to do whatever it takes to get the job done.

See OPERATOR, Page 4

As Serbs Vote, Nationalism Is the Victor

By John Pomfret
Washington Post Service

BELGRADE — At first glance, it would seem Serbia is ripe for political change in elections scheduled for Sunday. It has an inflation rate that this month will surpass the 45,213 percent attained by Germany's Weimar Republic in October 1923. Crime has soared, with dozens of unsolved gangland-style killings. And the country has remained an international pariah under severe economic sanctions.

In the last three years, under the leadership of President Slobodan Milosevic's Socialist Party, Serbia's economy has regressed from being one of the richest in Eastern Europe to being similar to that of Congo and Cameroon, both with a per-capita gross domestic product of about \$1,000, according to a study last month by the University of Belgrade's economic department. The local currency has been so weakened that today it would take more than 600 pounds of 1 dinar coins to equal \$1. Tomorrow it could hit 700.

But while Serbia totters on the edge of an economic and social black hole, more than ever people in this Yugoslav republic, as well as Serbs in neighboring Croatia and Bosnia, appear united around the dream of a Greater Serbia and annexation, sooner or later, of territory seized by Serbian paramilitary groups backed by the Yugoslav National Army.

Even if the Socialists win fewer than the 100 seats they held in the 230-member parliament that Mr. Milosevic dissolved, there will be little support among other lawmakers for Serbia, the dominant republic in what is left of Yugoslavia, to modify its policies.

As a result, there will be little support among the international community to end the economic sanctions that have helped drop the average monthly wage from \$350 in 1990 to \$17 today. Under continued sanctions, the country will sink further down what one Western diplomat called "the rabbit hole of history."

"Serbs are just like that," said Jovo Vukic, a spry 85-year-old retired bank clerk and former shot-putter for the Yugoslav national team who has seen his monthly pension of \$200 evaporate to about \$1.50 in two years. "We will die hungry but united."

The victory of nationalism is perhaps the most significant aspect of this election campaign. While in elections last year some parties actively opposed Serbian land grabs in Croatia and Bosnia, this year the military actions have been treated as a fait accompli, casting doubt that any change brought on by Sunday's vote could further hopes for peace in Bosnia or a resolution of other Balkan crises.

"Only a mad Serb could be against the unification of all Serb lands," said Vuk Draskovic, an opposition leader whose arrest and beating by Serbian policemen in June sparked international outrage.

See SERBS, Page 4

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See SERBS, Page 4

Rushing In to Rebuild Malibu: Not a Jolly Good Idea, It Turns Out

By Bob Pool
Los Angeles Times Service

LOS ANGELES — They came to rebuild houses destroyed by the Malibu brush fire. But Terry Shaw and Mark Hobson said they were the ones that got burned.

The two construction workers are among more than 100 British carpenters, bricklayers and other tradesmen who have flocked to Los Angeles in hopes of landing high-paying jobs rebuilding celebrity mansions that burned down during last month's wildfires.

Trouble is, there are no jobs for the Englishmen — most of whom hooked possessions and borrowed money to join what some in Britain have dubbed "The Malibu Gold Rush."

That rush was touched off by a story Dec. 3 in the tabloid London Sun that proclaimed that "Brits Make Stash Out of Malibu Ash." The article quoted British workers who saw the fire on television and flew to Los Angeles to clean up.

One worker asserted he earned "over a week's pay for just one day" from mansion owners who "practically begged me to work for them." Another said: "Americans are desperate for skilled labor. There is far too much work for professional American builders."

The article said contractors visited the King's Head Pub in Santa Monica, California, nightly to recruit workers.

That was enough to send Mr. Shaw, 39, of Newark, Nottinghamshire, jetting to the bar. The welder arrived Tuesday. On Thursday, he was still jobless as he watched a spectacular ocean sunset from the front of the tavern.

"This view cost me £328," or about \$500, he said. "There are no jobs. It's a scam. I've spent all my money I had left from my last job, which ended in August."

Mr. Hobson, 21, a plasterer from North Wales, sold the van he used for work at a loss and borrowed money from his parents to come.

He and another British worker walked four miles along the Pacific Coast Highway looking without success for work. Calls to Malibu builders and architects were also fruitless, Mr. Hobson said.

Alison Bain, British consul-general for Los Angeles, said the workers would have learned of this area's 9.4 percent unemployment rate if they had sought U.S. work visas before coming. The original tabloid story suggested that the permits were not really necessary.

"We're trying at the moment to coordinate their speedy return to the U.K.," Mrs. Bain said. She added that many of the workers bought round-trip tickets redeemable months in the future, expecting to stay that long for the "gold rush."

Mr. Hobson was heartened by a story Thursday in the London Mirror that reported Virgin Airlines would fly stranded workers home free. Then, remembering the Mirror is also a tabloid, he added: "I'm going to check tomorrow to see for myself."



A Belgrade woman waving worthless pension checks Friday as she lined up for free food.

Newsstand Prices

Andorra	9.00 FF	Luxembourg	60 L.	Fr
Antilles	11.00 FF	Morocco	12 Dh	
Armenia	700 CFA	Qatar	8.00 Rials	
Australia	11.00 FF	Roumania	11.20 FF	
Bahamas	200 CFA	Saudi Arabia	7.00 R.	
Bahrain	200 CFA	Spain	200 PTAS	
Bangladesh	200 CFA	Turkey	1.000 Dln	
Belgium	280 Fr	U.A.E.	3.50 Dirh	
Belize	280 CFA	U.S. MRL	(Eur.) \$1.10	
Bhutan	1.50 U.S. MRL			



Russians in Moscow signing up Friday as members of Vladimir Zhirinovskiy's Liberal Democratic Party, buoyed by its election success.

In the First Fallout, A Sign From Yeltsin On Centrist Politics

By Steven Erlanger
New York Times Service

MOSCOW — In what may be a sign of more centrist politics and looser financial strictures to come, following Sunday's rebuff to economic reformers in Russia's parliamentary elections, President Boris N. Yeltsin on Friday ordered soft loans for agricultural enterprises and the government approved the draft of an apparently weaker privatization program.

While the reformist finance minister, Boris G. Fyodorov, was meeting officials of the Group of Seven nations in Paris to discuss Western aid and debt relief to Russia, Mr. Yeltsin handed out loans of some \$120 million to farm-machinery enterprises at 25 percent interest a year, far below the Central Bank's discount rate of 210 percent. The Interfax news agency said.

WORLD BRIEFS

Kassebaum Says 'Time Has Come' For Packwood to Leave the Senate

WASHINGTON (AP) — Nancy Landon Kassebaum, Republican of Kansas, says that "the time has come" for Senator Bob Packwood to resign because of an investigation into allegations of sexual misconduct and possible obstruction.

Senator Kassebaum, a former ethics committee member, joined two Democratic senators, Robert C. Byrd of West Virginia and Daniel K. Inouye of Hawaii, who earlier called for the Oregon Republican to leave Congress.

"I think the time has come that Senator Packwood should resign," Senator Kassebaum told the Wichita Eagle. "I guess I feel that he's reached a point where this is so all-consuming now, and certainly questionable, that I just don't feel that he can effectively serve Oregon in the Senate."

"It's unfortunate that it has evolved this way, but he has been the one in charge of how things happened," she said. "I just think the time has come. I hate to do it." Mr. Packwood's office had no comment on her remarks.

Germany Slashes Welfare Payments

BERLIN (AP) — Legislators gave final approval on Friday to the largest social welfare cuts in Germany's postwar history. The Bundestag, or upper house of parliament, returned unemployment benefits, child support payments and job retraining programs as well as phase out compensation to construction workers temporarily kept off the job by bad weather.

The government hopes that those and other cuts, approved during a nationally broadcast debate, will trim 20 billion marks (\$12 billion) from next year's federal budget.

On Thursday, Chancellor Helmut Kohl said in Bonn that he was planning further "drastic savings measures" to close a further gap of \$4.4 billion but declined to specify the new cuts.

Argentines Riot Against Austerity

BUENOS AIRES (Reuters) — President Carlos Menem flew home to Argentina from a visit to Italy Friday for emergency Cabinet talks on preventing the spread of disturbances from one of the country's poorest provinces.

Local press reports put the death toll at six in protests on Thursday in Santiago del Estero against four years of austerity. The police said 120 people were injured when civil servants rioted after being told they would not be paid overtime wages.

Despite the arrival of hundreds of federal troops and policemen in Santiago del Estero, 600 miles (1,000 kilometers) northwest of Buenos Aires, witnesses said protesters were erecting barricades on Friday in the streets where they had rioted, looted and set public buildings on fire the day before.

Macedonia Wins Finnish Recognition

HELSINKI (Reuters) — Finland recognized the former Yugoslav republic of Macedonia on Friday, and President Mauno Koivisto authorized his Foreign Ministry to enter into diplomatic relations with that Balkan country.

A Foreign Ministry spokesman said Finland had special interests to be looked after in Macedonia. A Finnish battalion, with units from the other Nordic countries, is taking part in a UN Protection Force in the Balkans.

The Finns moved a day after similar action by five European Community countries — Germany, France, Denmark, Britain and the Netherlands — over strong objections from Greece. Athens says such recognition threatens Greece's own northern province of Macedonia.

Jury Trial Is First in Russia Since '17

MOSCOW (Reuters) — Two brothers were found guilty of manslaughter on Friday in Russia's first jury trial since the 1917 Bolshevik Revolution, the Itar-Tass news agency said. They were sentenced to prison terms of one and a half years and one year.

President Boris N. Yeltsin issued a decree allowing jury trials in five pilot regions from Nov. 1 for certain serious crimes, including treason and terrorism.

Trial by jury was introduced in 1864 in Czarist Russia. The Bolsheviks abolished juries in 1917 and replaced them with one judge and two assistants, a system notoriously open to pressure from above.

Australian Doctor Is Sued Over AIDS

SYDNEY (Reuters) — An Australian woman, who got the AIDS virus in the world's first reported case of patient-to-patient infection filed a damages suit on Friday against a doctor in whose office the virus was apparently passed on.

Four women who underwent minor skin surgery on the same day at a Sydney clinic in November 1989 contracted the AIDS virus from an already infected male patient operated on by the same doctor, according to New South Wales state health authorities. None of the other women have taken legal action yet.

France Toughens Driving Penalties

PARIS (Reuters) — Prompted by an expressway pileup last month that killed 15 people and injured 49, the French government announced heavier penalties Friday for speeding and drunken driving.

"France, with more than 9,000 deaths on the roads" each year "still has an unacceptable level of insecurity on the roads," Transport Minister Bernard Bosson said. "Every day, more than 25 people are killed and more than 500 are injured on French roads." France is estimated to have twice as many deaths as Britain, which has a similar size population, and one and a half times as many as Germany, which is more populous.

Mr. Bosson announced a new offense of excessive speeding. Drivers who overstep limits by more than 50 kilometers (30 miles) an hour would lose six points on their licenses, half the number under the French system. The limit for alcohol in the blood will be cut from 0.8 grams to 0.7 grams a liter. Another offense would be "putting the life of others in danger."

Spain's top biggest unions announced a general strike for Jan. 27 to protest government changes in the labor laws. The government has said it will press ahead regardless of the strike and has passed a decree and sent a draft law to parliament that loosen regulations on layoffs and introduce apprenticeship and part-time contracts.

Monaco unveiled plans for an underground train station that will allow more lucrative use of the center-city site accommodating the current station. The new one is scheduled to open in 1998.

Abidjan has renamed the country's main airport in the capital of Ivory Coast after Felix Houphouët-Boigny, who died Dec. 7 at 88 after 33 years as president.

Transport was crippled in southern Thailand by floods that damaged crops and property, a government official said. A tropical storm struck the shore around midnight Wednesday and poured heavy rain over six provinces in the south. Rains continued Friday.

Moscow Jews Say Zhirinovskiy Was One of Them

By Serge Schmemmann
New York Times Service

MOSCOW — As a candidate, Vladimir V. Zhirinovskiy has portrayed himself as a dyed-in-the-wool Russian, and he has made anti-Semitic remarks.

But Moscow Jews remember him as a man who regarded himself as a Jew several years ago, and who for a while served as an active director of a Jewish cultural organization formed in 1989.

The organization to which he is said to have belonged, Shalom, was initially intended by the Communist authorities as a counter to an independent movement of Jews taking shape in the 1980s.

But according to those who remember him as a director of Shalom, Mr. Zhirinovskiy fought to make the organization independent of the Communists and helped oust several directors associated with the Anti-Zionist Committee.

Alexander Smukler, a founder and former director of the first independent Jewish movement, Vaad, who now lives in the United States, had similar memories of Mr. Zhirinovskiy.

He said he thought Mr. Zhirinovskiy was invited to the founding of Shalom by the Anti-Zionist Committee. "But when elected, he really was working actively to change the situation and to destroy the group of people from the Anti-Zionist Committee," Mr. Smukler said. "He was more close with us, leaders of the independent Jewish movement."

Russian Vote Leads IMF to Rethink Its Approach

By Margaret Shapiro
Washington Post Service

MOSCOW — The head of the Russian office of the International Monetary Fund defended the organization's record here on Friday but said that, in the wake of parliamentary elections, international lending agencies should "adjust their approach" to consider the social impact of their policies.

The IMF, in particular, has been singled out for criticism, mostly recently by Vice President Al Gore during a visit to Moscow this week, for pushing Russia to adhere to unrealistic inflation quotas and then, when the goals are not met, withholding aid.

Mr. Fogelz said Russia had no easy economic choice in making its transition from an old, inefficient centralized system to its new capitalist one. But he said the IMF had done what it was supposed to do according to its charter, which means helping Russia come up with a program to control inflation and stabilize its currency, the ruble.

Mr. Fogelz said that in addition to aid, the IMF had provided advice and technical support to the Russian government in the last two years, when Moscow freed prices that had been state controlled for decades under the Soviet system, and when it decided to discard its complicated multiple exchange rate for the ruble.

"What we have done in the last two years can I think be termed relatively successful," he said. However, the deep public discontent revealed by the election results indicate "we probably need to focus our attention on making sure that a better social safety net is set up so that the burden is shared equally and no backlash occurs."

French Teachers Strike to Protest Financing Law

PARIS — Tens of thousands of teachers skipped classes on Friday in a nationwide strike against a new law allowing more public financing for France's mainly Roman Catholic private schools.

The Socialist president, François Mitterrand, in a rare public criticism, chastised the conservative government for its hasty passage of the bill earlier this week.

Hundreds of primary, junior high and high schools in the Paris region and elsewhere were deserted by teachers obeying a call by unions to act against the bill, which bans a 14-year-old law limiting public spending on private schools.

Several thousand teachers in Paris joined a march on the Education Ministry, and scores of demonstrations were scheduled around the country.

The Senate passed the bill Wednesday after a tumultuous last-minute debate. It was handled as a matter of urgency based on a government-ordered report concluding that more than half of France's private schools need safety repairs.

A Socialist deputy, Julien Dray, said he would seek to have the bill withdrawn.

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The Associated Press

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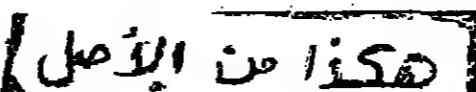
Record Annenberg Gift to Schools

By William Celis 3d
New York Times Service

NEW YORK — In the largest single gift ever made to public education in the United States, the philanthropist Walter H. Annenberg said Friday that he would award grants totaling \$500 million to several groups involved in school reform.

Mr. Annenberg said he is making the grants, to be paid out over five years, because of the growing violence in schools.

"I kept on reading about so many youngsters with knives and revolvers and threatening the lives of teachers and that began to upset me," Mr. Annenberg, who has made billions of dollars in publishing, said by telephone from the Annenberg Foundation's office in St. Davids, Pennsylvania. "I felt I had to drop a bomb on the situation to show the public what needs to be done."



STATESIDE / A REFUGEE ISSUE

U.S. Policy on Haiti Stokes Anger in and Out of Government

By Steven A. Holmes
New York Times Service

WASHINGTON—With efforts to reinstate the Reverend Jean-Bertrand Aristide to the Haitian presidency no closer to succeeding now than they were a year ago, President Bill Clinton's policy of summarily turning Haitian refugees is drawing increased anger from outside the administration and causing acute embarrassment within it.

In what is perhaps the starkest self-criticism of any policy that he has helped formulate, including those on Bosnia or Somalia, the national security adviser, W. Anthony Lake, conceded at a meeting with human-rights advocates a week ago that the administration policy toward Haitian refugees was "indeed a dark stain" on its record.

"He was defensive about it," said a participant in the meeting who, like others who discussed Mr. Lake's comments, did so on the condition of anonymity. "He wasn't defending the policy. He was implying that he didn't like the policy but felt that they were trapped in a vise and were stuck with it."

[Secretary of State Warren M. Christopher, insisting he was "resolute" about restoring democracy to Haiti, said Friday he was trying to work out a new formula for achieving that objective. The Associated Press reported. Mr. Christopher dismissed reports that the administration has given up the effort to restore Father Aristide to power, whom the military overthrew in 1991.]

In public, administration officials justify the policy of forcibly returning fleeing Haitians by saying they are moving to return Father Aristide.

In that vein, two senior officials said that a military delegation from the United States, France, Canada

and Venezuela would soon meet in Port-au-Prince with the head of the Haitian military, Lieutenant General Raoul Cédras. The envoys will seek assurances for the safety of an international contingent of military and police trainers that will once again be sent to Haiti.

A group of American military trainers with originally to be sent to Haiti in October. But in the face of a group of armed men in plain-clothes who threatened them and the unwillingness of the country's military leaders to assure the safety of the trainers, the ship carrying the advisers turned around without unloading them.

After the incident senior Pentagon and other administration officials said privately even if another training mission for the Haiti military was put together they were not sure "whether American military personnel would take part. But a senior administration official told reporters Thursday that if proper assurances were received from the Haitian leaders American soldiers would be part of a new mission.

The policy of returning the boat refugees without giving them hearings to press their claims of refugee status was initiated by President George Bush. In the campaign Mr. Clinton denounced the policy as cruel, but he adopted it after his election.

In recent weeks human rights groups and advocates for refugee rights have grown even louder in denouncing the policy as fostering repression by the Haitian military and economic hardship from a UN-imposed embargo that has increased pressures on average Haitians.

Last month, the UN High Commissioner for Refugees, Sadako Ogata, met with senior State Department officials and, as she has in the past, told them of her disagreement with the policy.



ANYTHING FOR A LAUGH — Clowns testing a roller coaster at a Florida amusement park.

AMERICAN TOPICS

A New York Victim Sues To Stop Crime From Paying

In 1984, three men mugged Jerome Sandusky, then 72, in a New York subway station. He was hit and choked, and probably escaped serious injury only because two policemen heard his cries and gave chase to the muggers. Two escaped, but the third, Bernard McCummings, then 23, was shot and paralyzed.

Last month, the U.S. Supreme Court let stand a \$4.8 million judgment in favor of the paralyzed mugger against the New York City Transit Authority, whose policemen were found by a jury to have used excessive force. This prompted an outpouring of indignant newspaper editorials and letters to the editor.

This week, Mr. Sandusky sued the mugger for the whole \$4.8 million. He has pledged to use any money he collects to hire more transit policemen. Mr. Sandusky, now 81, said the jury award "sends the idiotic message to young men that crime frequently pays." He sued under a state law intended to keep felons from profiting from their crimes.

The mugger, who served 32 months in prison for his crime, could not be reached for comment, nor could his lawyer.

Last August, the Transit Authority paid \$3.1 million of the judgment, \$900,000 of which went to the lawyer, but withheld about \$1.7 million, pending the outcome of various civil lawsuits tangential to the case. Mr. Sandusky's lawyer said he had got a temporary restraining order to stop the mugger from spending his \$2.2 million share.

Short Takes

The federal government has moved to reverse environmental destruction of San Francisco Bay and the Sacramento Delta, the huge estuary that furnishes two-thirds of all water used in California. Much of this is siphoned off to farms and to cities hundreds of miles away. Not enough fresh water remains to prevent salt water from the Pacific Ocean from backing up, bringing several fish species to the brink of extinction. Federal agencies have proposed new water quality standards for the estuary. These would require that substantial amounts of fresh water be diverted away from cities and farms, particularly in dry years.

Putting children with severe mental or physical handicaps in regular classrooms is a "recipe for educational disaster" and must be stopped, says Albert Shanker, president of the American Federation of Teachers. Some educators say a policy of inclusion offers disabled children their best opportunity to learn. It means "getting along, respecting differences and celebrating diversity," said Susan Lages, a nursery school principal in Cedar Rapids, Iowa. But Mr. Shanker said all concerned were hurt rather than helped when children who are medically fragile or who suffer severe and disruptive behavior disorders are placed in the classroom.

A letter to Ann Landers, the advice columnist, passionately defends nudism as a prescription for world peace and brotherhood, and adds for good measure, "Think of the time and energy, not to mention money, that would be saved if we didn't have to shop for clothes." Miss Landers replies: "I don't think the National Association of Retailers would endorse the concept. But thanks for writing."

Arthur Higbee

Largest Toy Chain in the U.S. Drops a Gory Home Video Game

By Tom Redburn
New York Times Service

NEW YORK — Amid growing public complaints about the display of blood and guts in video games, Toys "R" Us, the largest U.S. seller of toys and games, has announced that it has stopped selling the Sega Genesis home video game "Night Trap" because it is too violent for children.

But the company, which has 581 retail stores across the United States and 126 in nine nations in Europe and Asia, will continue to sell "Mortal Kombat," a much

more widely available game that has also generated protests by parents over its violence and sexual content.

The company said it had not decided on whether to pull "Night Trap" from all of its overseas stores, but has removed it from its stores in Britain.

The move comes as an outcry over the level of violence on television and in video entertainment has led to calls for some form of regulation of the video game industry.

At a U.S. Senate subcommittee

hearing on the issue last week, representatives of Sega Enterprises and Nintendo of America, which dominate the \$6 billion video game industry, and large retailers like Sears and Toys "R" Us said they would work together to develop a voluntary labeling system aimed at advising parents about the depiction of violence and sex in video games.

The ratings, which are likely to be modeled on a similar system followed by the movie industry, are also intended to ward off legislation that would establish more stringent controls.

"We took the game off the shelves and we are not selling it anymore," said Michael Goldstein, vice chairman and chief financial and administrative officer of Toys "R" Us, which is based in Paramus, New Jersey. "This is a decision we made several weeks ago with the concurrence of Sega, which agrees with our decision."

Sega, which introduced its own rating system this summer, labels

Store to Pay \$75 Million For Denying Promotions

By Jane Gross
New York Times Service

OAKLAND, California — In a sex discrimination settlement that could alter personnel practices throughout the grocery industry, Lucky Stores Inc. has agreed to pay nearly \$75 million in damages to women in northern California who were denied promotion opportunities and to invest \$20 million in affirmative action programs for female employees.

The class-action settlement, one of the largest ever in a sex discrimination case, brings to a close a decade-long battle between the grocery chain and a group of female employees who were denied desirable assignments, management training and movement into full-time positions that would have improved their chances for promotion.

The women said they were segregated into jobs working the cash registers and in store departments like bakeries or delicatessens that were not as high-level as the grocery and produce sections, where the men worked.

"This is a great day," said Diane Skilly, 50, a plaintiff in the case who has worked at Lucky for 21 years.

Portions of the settlement have been in place on a trial basis since Judge Marilyn Hall Patel of the U.S. District Court ruled against the grocery chain in August 1992, at the end of a 10-month trial.

In her decision, she said that "sex discrimination was standard operating procedure at Luckys and that she found "unpersuasive" the company's defense that women were not promoted to better jobs because they were not interested in them.

"Night Trap" as inappropriate for children younger than 17.

In "Night Trap," which was introduced last year and is available only in a CD-ROM version for Sega and another digital video game system made by the company 3DO, players try to prevent a gang of hooded vampires from capturing a group of scantily clad sorority sisters.

If the player fails, the killers use a neck-drilling device to drain the women's blood.

"I'm very disappointed that Toys "R" Us would do that," said Tom Zito, president of Digital Pictures, a company based in Palo Alto, California, that makes the game for Sega.

"While it is certainly not an appropriate game for an 8-year-old, 'Night Trap' is actually very benign and is designed as a parody of a vampire movie."

Mr. Zito said the game was unfairly "pilloried" at the Senate hearing, complaining that it was being attacked for "a 20-to-30 second

excerpt from a product that has over 100 minutes of video."

Aided by compact disks and computer chips, "Night Trap" is part of a new wave of more advanced video games that feature live-action characters that look like real people rather than the animated cartoon figures in Super Mario Brothers and similar games. Mr. Zito said about 100,000 copies of "Night Trap" have been sold at roughly \$60 each.

The decision by Toys "R" Us touched off actions by other toy retailers, like FAO Schwarz, which also decided to stop selling "Night Trap" at its stores.

In contrast to "Night Trap," Mortal Kombat is available for the standard Sega Genesis and Super Nintendo players and for their hand-held game units. There are more than 15 million such machines in homes.

Toy-Gun Ban Sought

Invoking an obscure provision of the New York City administrative

★POLITICAL NOTES★

10 Doctors' Groups Back Clinton Health Plan

WASHINGTON — Leaders of 10 doctors' organizations have appeared with President Bill Clinton to express support for his health care plan and underline their differences with the American Medical Association, which has objected to many elements of it.

Obstetricians, pediatricians, family doctors, internists, specialists in preventive medicine and spokesmen for groups representing African-American and Hispanic doctors said they endorsed Mr. Clinton's plan, including one of its most hotly debated features: a requirement that employers buy health insurance for their workers.

The event, at the Old Executive Office Building, next to the White House, was organized by Clinton aides to inject new life into the campaign for congressional passage of the bill, the most ambitious piece of social legislation proposed by any president in half a century.

Republicans and conservative Democrats have been pecking away at the Clinton plan, endorsing the president's goal of universal health insurance coverage while complaining that his proposal relies far too much on a complex, untested federal regulatory apparatus.

Last week the American Medical Association urged Congress to consider alternatives to Mr. Clinton's proposed employer mandate, the requirement that all employers buy health insurance for their employees.

Mr. Clinton said Thursday that the 10 doctors' groups supporting his plan represented more than 300,000 physicians, slightly more than the 296,000 members that the AMA claims.

Surrounded by doctors, Mr. Clinton said, "The presence of these physicians here debunks the notion that the plan we have presented is some sort of big-government, bureaucratic plan that erodes the doctor-patient relationship."

(NYT)

D.C. Mayor Guard May Cost \$1 Million a Year

WASHINGTON — The District of Columbia mayor, Sharon Pratt Kelly, has at least a 24-member security detail that provides around-the-clock protection for her and her husband, according to administration and police sources.

Mayor Kelly's detail, which police sources estimate costs over \$1 million a year, is one of the largest among big-city mayors and rivals that of the former mayor, Marion S. Barry.

While campaigning for mayor three years ago, Mayor Kelly vowed to significantly reduce the size of the taxpayer-financed force assigned to the city's chief executive. Instead, sources said, she has helped the police chief handpick a detail of at least two supervisors, six uniformed officers and 16 plainclothes officers.

"We give the mayor the same deference the queen gets," said a D.C. Council member, Jim Nathanson, chairman of the council's Judiciary Committee, which oversees the police department. "I'm just not sure why."

(WP)

Quote / Unquote

The philanthropist Walter H. Annenberg as he pledged \$500 million over five years for schools around the United States: "We must ask ourselves whether improving education will halt the violence. If anyone can think of a better way, we may have to try that, but the way I see this tragedy, education is the most wholesome and effective approach."

(AP)

Away From Politics

- Miami took a step toward a ceasefire on youth. All Dade County juveniles younger than 16 would be subject to a curfew between 11 P.M. and 6 A.M.
- Cincinnati must let the Ku Klux Klan put up a cross in a central square, as the Klan did last year when protesters toppled and destroyed a Klan cross there. U.S. District Judge Carl Rubin said the city's attempt to ban the cross would violate the group's right to free speech.
- David Mark Priddy was executed in the electric chair in Greenville, Virginia, for raping and murdering his best friend's wife nearly nine years ago.
- Jack Kerouac was freed from jail after promising a judge that he would not help anyone else while a state appeals court considers the constitutionality of a Michigan law against assisting a suicide. His bail was lowered to \$100.

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Herald Tribune

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Never Took A Bribe, Craxi Tells Italy Court

By Alan Cowell
New York Times Service

ROME — Former Prime Minister Bettino Craxi strongly denied accusations of personal corruption in his country's huge bribery scandal, but acknowledged Friday he had known of widespread, illicit political financing "since I was in short trousers."

Mr. Craxi was appearing at the first major trial to emerge from the scandal, in which the financier Sergio Cusani is accused of managing \$94 million in bribes paid to politicians by the Ferruzzi food-and-chemicals empire that once ranked as Italy's second richest private corporation.

The unexpected appearance of Mr. Craxi in the Milan courtroom was big news in Italy because the disgraced Socialist leader has become virtually an emblem of everything that happened in Italy's free-wheeling 1980s, when politicians and businessmen were linked in an ever-widening trade of bribes for government contracts. More than 3,000 people have been implicated in the scandal since it first broke in February 1992.

It was Mr. Craxi's first testimony before the court, and his appearance was all the more tantalizing because the prosecutor, Antonio Di Pietro, was the magistrate who has made headlines as the spearhead of investigations into Mr. Craxi's dealings. But under questioning, Mr. Craxi said companies accused of giving him bribes never "gave me personally one single lira."

By contrast, he asserted that the former Communist Party of Italy, which has escaped major implication in the corruption scandal, had constructed "the most powerful and organized Communist Party in the West, with financing that in large part was illegal," with some of it from the former Soviet Union.

The former Communists, now known as the Democratic Party of the Left, have denied such allegations.

Mr. Craxi fired his assertions of personal innocence by depicting the entire Italian system as corrupt. "In Italy, the system of financing parties involves irregularities and illegals which I believe have been around since the founding of the republic," he said. "I was all aware of the irregular nature of party financing, I began to understand it when I was still in short trousers."

Despite his disavowals of personal wrongdoing and his assertion that his party was a victim of the system, Mr. Craxi's 16-year leadership of the Socialist Party is over and his party is in disgrace, scoring virtually nothing in the country's most recent local elections.



HANDS ACROSS THE STRAIT — Sun Yafa, left, head of an 11-member delegation from China, being welcomed to Taipei on Friday by Lin Kneifet, of Taiwan's semi-official Straits Exchange Foundation. It was the first visit by high-level mainland Chinese. The two sides are expected to discuss civilian matters such as the repatriation of hijackers and illegal immigration from China.

OPERATOR: Inman, a 'Brilliant Insider,' Goes Back to Washington

Continued from Page 1

seemed to lack credibility with the military, a highly developed sense of organization and the ability to clearly articulate policy positions in public.

A career intelligence officer in the navy, he became under President Jimmy Carter the youngest director in the history of the National Security Agency, the super-secret organization that oversees overseas. He was the first intelligence officer ever to receive a fourth star, and with confirmation by the Senate will become the first career military officer since George C. Marshall to head the Pentagon.

In his years since leaving full-

time government work, he has nonetheless kept his hand in. Among other things, he has headed a Reagan administration commission on embassy security and the Bush administration's Presidential Intelligence Foreign Policy Advisory Board and has served on several congressional panels on intelligence. He replaced Secretary of State Warren M. Christopher as vice chairman of the New York-based Council on Foreign Relations and has served on the boards of 11 nonprofit organizations and many companies.

Along the way, he has perfected an endearing style characterized by bureaucratic finesse, intellectual grace and hard work.

When he was at the Central Intelligence Agency, he rose every morning at 4 to prepare for the day by reading a huge bag of classified documents.

His gap-toothed smile and self-deprecating demeanor conceal a steady center, extraordinary intellect and breathtaking ability to shape quietly the opinions of other officials.

Over the years, Mr. Inman has maintained political independence, a trait that was on display during the Rose Garden announcement.

"I would tell you up front, honestly, I did not vote for President Clinton," he volunteered. "I voted for President Bush, even though I was mad at him about his handling of the economy, but because I considered him a personal friend."

He had neither sought nor wanted the Pentagon job, which he said he had accepted because of "duty and country."

Indeed, in the fall of 1990, after resigning himself to the role of saving the contentious nomination of Robert M. Gates to be director of Central Intelligence, he said in an interview: "I will never come back to government. I have zero Poto-mac fever. I don't have the patience anymore. Watching this process has absolutely locked that in concrete."

Mr. Inman touted his business experience as perhaps the most important asset he brings to the Defense Department.

In fact, though, his business record has been mixed.

In 1983, he founded the Micro-electronics and Computer Technology Corp., a consortium of computer companies, to compete with Japan's electronics giant, During his tenure, many big companies refused to join, and some that did sign on refused to provide their best researchers.

When Mr. Inman brought in talent from the outside, he angered some of the companies, which feared that unless their own technicians were in the consortium, it would be hard to use the technology in their own products. Mr. Inman complained in a 1984 interview that some of the corporate partners were "sitting back and sipping with a long straw," and two years later he stepped down.

In 1987, he was made chairman and chief executive of Tracor Holdings, a large military contractor in Texas that had large debts from a leveraged buyout. He failed to respond adequately to the shrinking of the military, he conceded later, and two years after joining Tracor, he resigned as the company was posting enormous losses.

When Ronald Reagan named Mr. Casey the nation's intelligence chief, Mr. Inman resisted taking the job as deputy. According to an oft-told story, Mr. Casey had to persuade Mr. Reagan to make a personal appeal, which he did, telling him, "Admiral, I need you."

But Mr. Inman never trusted Mr. Casey, who shut him out of covert operations and was a disorganized manager, and the admiral left the job and left town as soon as it was politically acceptable.

French Are Advised To Leave the Congo

PARIS — France has advised the families of its nationals in Congo to leave the central African country after political and ethnic violence in which at least 80 people have died in the capital, Brazzaville, in the last week.

A French Foreign Ministry spokesman also said Friday that French nationals in troubled areas of Congo "have been regrouped in the center of Brazzaville."

President of Fiji Dies at 75

SUVA, Fiji — Sir Penina Ganilau, the president of Fiji, died Wednesday at Walter Reed Medical Center in Washington, D.C., where he was being treated for leukemia. He was 75 years old.

Sir Ganilau was flown to the United States by a U.S. medical evacuation plane Nov. 27. It was the third time he had been treated at the hospital in the last 18 months.

The Fiji constitution states that Sir Ganilau's successor will be appointed by the country's Great Council of Chiefs, which represents traditional tribal leaders. It also requires a new president to be an indigenous Fijian rather than another race, such as Indian.

Sir Ganilau became Fiji's first president after two military coups in 1987 resulted in the declaration of republic and end of the reign of Queen Elizabeth II as head of state of the South Pacific island.

Before the coups, he had been the queen's representative, appointed governor-general in 1983 after a long political career.

With the traditional title of Tui Cakoni, Sir Ganilau regularly mediated between extreme indigenous Fijians and ethnic Indian politicians after coups that were staged by the army in the name of indigenous rights.

Fiji's population of 720,000 people is roughly divided between indigenous Fijians and ethnic Indians.

who are the descendants of laborers imported by British colonizers.

Charles Moore, 68, a Leading Practitioner Of American Postmodern Architecture

Charles Moore, 68, whose eclectic architecture made him one of the most influential and prolific practitioners of postmodern design, died Thursday in Austin, Texas, of a heart attack.

A leading figure in American architecture and architectural education for three decades, Mr. Moore strove to celebrate a sense of place with a mix of pop, historical and modernist motifs.

He achieved recognition in 1966 with the completion of Sea Ranch, a condominium project on the coast north of San Francisco. He went on to produce the Faculty Club at the University of California at Santa Barbara (1968), designed with William Turnbull, and the Piazza d'Italia in New Orleans (1978). Among his other designs was the Tegel Library in Berlin.

Pierre-Holmes, 81, who broadcast messages on the BBC to the French Resistance during World War II, died Dec. 7 in Tlaxcala, Mexico, in the Vauchuse department. He had a 15-minute program every night from 1942 to 1944 reading out coded messages about parachute drops, arrivals and pickups.

A Holiday Cease-Fire In Bosnia

Continued from Page 1

SARAJEVO, Bosnia-Herzegovina — A Christmas and New Year cease-fire announced Friday could bring a truce in the bitter fighting between Bosnians and Serbs.

Rasim Delic, commander of Bosnia's government forces, and Ante Roko, commander of rival Bosnian Croat troops, agreed to a cease-fire from midnight on Dec. 23 until midnight Jan. 3, Croatian television reported Friday.

The agreement was mediated Thursday by the United Nations commander for Bosnia, General Francis Brimicombe, in the central Bosnian town of Visoko, 20 kilometers (12 miles) north of Sarajevo.

The commander of the Bosnian Serb forces, General Raško Mladic, said he would also respect the cease-fire "as long as he was not attacked," a UN spokesman said in Sarajevo.

Agreement on the cease-fire coincided with new talks to try to end Bosnia's war.

A day after Serbian and Muslim leaders met at Sarajevo's airport, Prime Minister Haris Silajdzic of Bosnia met in Vienna with international mediators and representatives of the European Community.

SERBS: Triumph of Nationalism

Continued from Page 1

diplomats do not consider martial law an option now, it could become one in March, when food shortages are expected if sanctions are still in place.

Despite signs of weakness, Mr. Milosevic remains a resourceful and powerful politician. One reason he may be able to maintain his position as strongman of the Balkans is that many people here do not blame the government for their bare coffers.

Aleksandra Popovic, of the Belgrade Institute for Economics, said, "The results achieved by those in power are disastrous, but most citizens are still incapable of linking what is happening to them with moves made by the government."

Whereas Mr. Milosevic's government once claimed that the wars in Bosnia and Croatia were begun to protect Serbs from genocide, government officials openly admit that the Serbian government trained and armed paramilitary groups to create a Greater Serbia.

Whereas Mr. Milosevic once claimed that no Serbs from Serbia committed atrocities in Bosnia, last month his policemen arrested 18 members of Mr. Seseelj's paramilitary group, the Chetniks, and charged them with committing, among other crimes, atrocities in Bosnia.

Significantly, the economic crisis, aided by sanctions, is hurting the Serbian president, curbing his room to maneuver. Early this week, he doubled pensions and salaries of all state workers in an attempt to win their votes. But within three days, inflation, which was up to 100 percent a day, had devoured the raises.

Newspapers in the capital now discuss the possibility that the president, backed by a police force of 70,000 men, will impose a state of emergency if the vote does not go his way. Although most Western

Malaysia Gives Up Survivor Search

KUALA LUMPUR — Hope of finding survivors in a collapsed condominium was all but abandoned on Friday as heavy equipment began pulling the rubble apart.

Excavators and other heavy gear had not been used until now for fear of crushing anyone trapped. Instead, French, Japanese and Singaporean specialists had searched for survivors using careful tunneling techniques. Now that has been abandoned because it was feared that anyone trapped might not last beyond Saturday without food or water, officials said.

Seven people were confirmed dead, and more than 40 others were missing and feared dead in the ruins of a 12-story luxury apartment that was pushed over by a landslide last Saturday.

Gunmen Murder Kin of Gandhi

DURBAN, South Africa — A great-grandson of India's pacifist leader Mahatma Gandhi, Kush Ramgobin, died of wounds after being shot by gunmen in his Durban apartment.

Mr. Ramgobin, 29, was the son of a senior Natal cultural official in the African National Congress.

Mr. Ramgobin lived in his apartment with a bodyguard, who told the police he had been overpowered, bound and gagged by two gunmen. A third man held him captive while the others killed Mr. Ramgobin.

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Pretoria Says It Is Sorry Vows to Make Up For Apartheid

The Associated Press
CAPE TOWN — The South African government apologized for apartheid on Friday and pushed the all-white parliament to adopt a new constitution that would in effect abolish the body and treat all races equally.

"If ever, in the eventful history of our beloved land, there was a day that dawned with great promise, it is this day," said the constitutional minister, Roelf Meyer.

Mr. Meyer addressed South African legislators as they began debate on a 200-page constitution that will end white rule.

The constitution is the product of two years of negotiation by the government, the African National Congress and about 20 other political parties. It was approved at multiparty talks in November.

But an alliance of pro-apartheid whites and conservative blacks who boycotted the talks opposes the constitution. They say it does not insure them enough autonomy.

The document is virtually guaranteed approval because President Frederik W. de Klerk's National Party holds a majority in parliament. The vote, tentatively scheduled for Wednesday, will be the last major action by South Africa's white parliament chamber.

Mr. Meyer, the government's chief negotiator, used the occasion to offer a formal apology for the policy of apartheid.

"We, who were responsible for apartheid, are now saying that we want to leave that wrong behind," he said. "We are saying we are sorry. But we are also saying that we are now determined to rectify what went wrong."

Mr. de Klerk had issued the white minority government's first apology for apartheid in a speech last year.

The ANC, led by Nelson Mandela, sent a delegation headed by its general secretary, Cyril Ramaphosa, to watch the debate. The ANC is expected to win the nation's first multiracial elections set for April 27.

"It's a culmination of what our people have struggled for for many years," Mr. Ramaphosa said. "It leads us into a transition that will finally lead to democracy."

He said it was not too late for conservative white and black opponents to join in the political process.

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GUINEANS RANSACK EMBASSY IN ABIDJAN — Ivory Coast riot policemen scattering Guinean protesters on Friday after they stormed the Guinean Embassy in Abidjan. Tension rose ahead of Guinea's first contested presidential vote as protesters said diplomats had stuffed ballot boxes. There was also an attack in Dakar.

GIs Start Pulling Out Of Somalia

The Associated Press
MOGADISHU, Somalia — The United States began pulling out troops out of Somalia on Friday, starting with the battalion that fought in the battle that persuaded President Bill Clinton to bring American forces home.

In a gray, humid hangar at the Mogadishu airport, about 450 members of the U.S. Army's 2d Battalion-14th Infantry Regiment lined up in full battle dress for a brief departure ceremony. They then boarded a Boeing 747 for the overnight flight to Fort Drum, New York.

Although some support units left Thursday and the U.S. aircraft carrier America left two weeks ago, the 2d Battalion was the first combat unit among the more than 8,000 American soldiers to leave.

Mr. Clinton ordered American troops out by March 31 after an Oct. 3 ambush of U.S. Army Rangers by Somali militiamen killed 18 Americans and wounded 75 near the site of a downed U.S. helicopter. About 300 Somalis were reported killed during the 12-hour firefight.

The debacle that stretched into the morning of Oct. 4 was a low point in the mission that began on Dec. 9, 1992, when U.S.-led multinational forces landed to protect relief supplies to a country where 350,000 died last year from famine and clan warfare.

About 2,500 American troops, 30 percent of the total force, are to depart before Christmas. Two of the three U.S. bases will close next month. United Nations military commanders have been scrambling to replace the air power, intelligence network and logistics support that the Americans will take with them.

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ISRAEL: Extent of Their Differences May Force a Delay in Rabin's Meeting With Arafat

Continued from Page 1
Mr. Arafat may not get together until Jan. 6. And a senior negotiator quoted by the newspaper Ha'aretz said that "even if certain understandings are reached, there is no chance of signing an agreement in 10 to 20 days."

It would be pointless and perhaps even damaging, an official close to Mr. Rabin said, to have the two leaders meet until they were sure — unlike the last time — that key details have been nailed down in the plan for Palestinian autonomy.

"It is not a good idea to meet if we haven't come to some sort of agreement," he said. "We don't want a meeting that blows up the whole process."

But nothing has been decided, Israeli officials said. And, as they have for the last few weeks in which the talks have gone badly, they insisted that they were not in a crisis. Palestinian negotiators have also sought to put on a placid, if not a happy, face, saying that they have not given up on a Rabin-Arafat session around Dec. 23, as planned.

Ahmed Tibi, an Israeli Arab who is an adviser to Mr. Arafat, said that "quiet contacts are continuing." But he acknowledged that a postponement of the meeting next week and all that that implies "will have a negative implication on the atmosphere of the peace process."

The critical issues that continue to elude negotiators are control over the border crossings from the territories to Egypt and Jordan, the size of the Jericho district that will fall under Palestinian authority, and protection for Jewish settlements. Other matters have arisen as well. Israeli officials say, suggesting that the longer the stalemate goes on, the more likely they are to find nettlesome details in the nooks and crannies of negotiations.

From the beginning, Mr. Rabin has been uncomfortable with vague wording in key sections of the agreement, an ambiguity that made it possible for the Israelis and Palestinians to take the giant step of striking a deal in September but

that has come back to haunt them now that they must fill in the details. The prime minister is said to insist on not withdrawing a single soldier until the fine points are worked out, especially on control over the borders.

Israelis say they must remain in charge, especially since the "declaration of principles" signed in September gives them responsibility for "external security."

To them, the issue is one of sovereignty as well as security, and they accuse Mr. Arafat of demanding PLO control to show that Gaza and Jericho are but the first steps toward a Palestinian state.

Troublesome questions like future statehood are supposed in he set aside for two years, officials here note, adding that Mr. Rabin feels he must stand firm on this point or weaken Israel's position when the territories' final status is negotiated.

But the chief Palestinian negotiator, Nabil Shaath, disputed the Israeli interpretation, noting that the September accord also talks about "arrangements for coordination and cooperation."

"The declaration of principles calls for Israeli-Palestinian coordination on the border points, not absolute Israeli control over them," Mr. Shaath told an East Jerusalem newspaper.

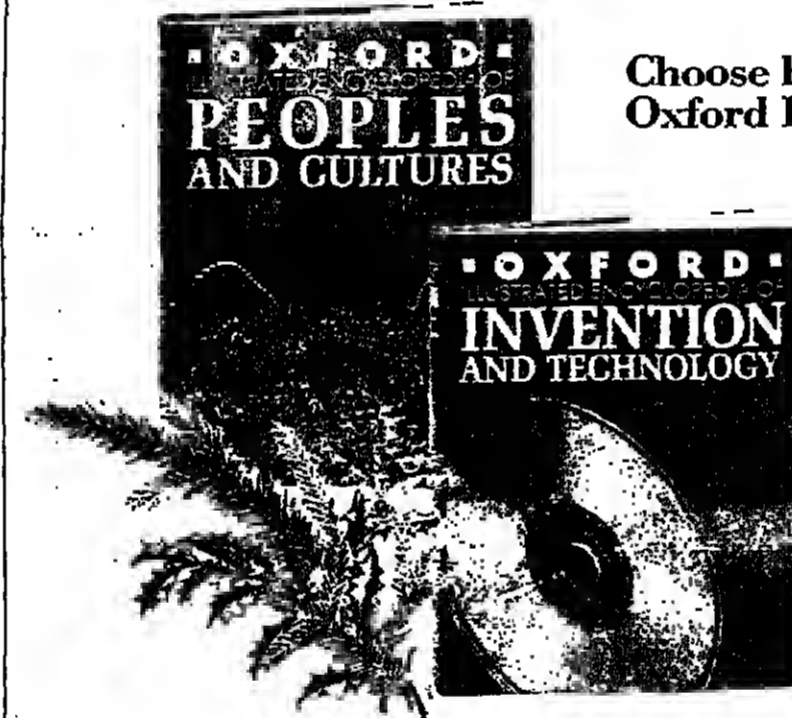
He said the government had sent 3,000 political prisoners to "concentration camps in the desert," detained 25,000 in regular prisons and sentenced 425 people to death.

He accused the United Nations of turning its back on Algeria and France of supporting the government.

"How can anyone understand a world community that looks away when people are tortured, when their fingernails are torn out and their limbs are hacked off?" Mr. Kibir said.

The bloodletting in Algeria started after the army canceled January 1992 elections that were expected to give the Salvation Front control of parliament.

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RIFT: A Film on Mao

Continued from Page 1
Zedong's tyrannical and brutal rule over China," the BBC said in a statement.

Mao, the son of a peasant, was a founding member of the Chinese Communist Party who led the People's Republic of China from 1949 and until his death in 1976.

Mao's doctor for 22 years, Dr. Li Zhisui, who now lives in Chicago, gave the film makers details about Mao's extramarital sexual adventures, including with young girls, the BBC said.

"Women felt honored to have sex with Mao," Dr. Li said, according to a BBC transcript. "It was a glorious and natural thing to do because Mao was God and the Supreme Ruler."

The writer Zheng Yi, a former Red Guard who is now at Princeton University, said on the program that "cannibalism was practiced, even encouraged by some of Mao's supporters during the Cultural Revolution," the BBC said.

Miss Clarke said the documentary team had spent a "substantial part of this year" working on the film. They were not allowed to film in China, she said.

The film runs counter to the exaltation of Mao at home ahead of the 100th anniversary of his birth on Dec. 26.

Articles on Mao filled Chinese newspapers Friday, with one announcing the imminent screening of a new Chinese film, "Chongqing Negotiation," depicting a very different Mao from that in the BBC broadcast.

(AP, Reuters, AFP)

19 Killed in Kashmir As Troops Battle Rebels

The Associated Press
SRINAGAR, India — Nineteen people were killed in a battle between Indian troops and Muslim separatists in Kashmir in northern India on Friday, the police said.

In the capital, Srinagar, businesses, schools and offices shut down after two guerrilla groups ordered a strike to protest the killing of a rebel leader, Jamal Afghani, who allegedly was tortured in captivity.

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OPINION

Herald INTERNATIONAL Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

Hope From Downing Street

Good news, in the form of a joint statement from 10 Downing Street, was announced on Wednesday by Prime Minister John Major and his Irish counterpart, Albert Reynolds...

in the Irish constitution in eliminate territorial claims to the northern province. In spite of the fact that the most intransigent elements in this struggle...

Inman for a Second Try

President Bill Clinton has made a safe and smart choice in nominating Bobby Ray Inman to be his second secretary of defense. The national security establishment is already singing the nominee's praises...

nuclear bargaining now going on with North Korea. And it will be his responsibility to assess the military implications of the rise of aggressive nationalists in a nuclear-armed Russia.

A Paler Shade of Red

It has been a rather good few months for the successors to the European Communist parties. In Italy, the Democratic Party of the Left (formerly the Italian Communist Party) swept to victory in a series of local elections.

the ex-Communists faced the neofascist Italian Social Movement, a great many voters apparently saw the candidates of the left as the more moderate and democratic options.

Other Comment

The Basis of a Peace Treaty? To deny the significance of [Wednesday's] joint declaration on the future of Ireland would be childish and premature.

outside its signatories' control. [The] declaration was the pinnacle of a close diplomatic relationship which has developed in the past 10 years.

On With the Work of Democracy in Russia

By A. M. Rosenthal

NEW YORK — For days phone calls have been coming in from Russian friends, explaining to me and themselves how in their homeland a fascist nationalist could have become a strong contender for power.

If a slower pace is what Russians want, they are entitled to choose it.

military; the West should have provided more money to stabilize the Russian economy... Western did this to Russia. Russians, not Westerners, checked the ballots; and a quarter of them, in a choice of national parties, selected the leadership of the man who promised another dictatorship and resurgent forces on the march.

into the new. Still, remembering Russia's history does not diminish the importance of Russia's destruction of the Soviet prison empire, but makes it stand out greater, more thrilling. Russians who oppose return to despotism will draw their own lessons. But it is important for foreigners not to make scapegoats of the Yeltsin people.

Help Russian Democracy Grow From the Roots Up

By David S. Broder

WASHINGTON — On Oct. 23, less than three weeks after Boris Yeltsin had sent his tanks against the opposition politicians holed up in the parliament building, Warren Christopher addressed a student audience in Moscow on the topic "A New Generation of Russian Democrats."

Western nations should examine their own armed forces. Vladimir Zhirinovskiy, and he, may not wait sweetly until the next election to take the presidency, but lunge for power any time from tomorrow on. Not to examine Western readiness would be unthinkable negligence.

Stop Insulting Zhirinovskiy's Voters

By William Safire

MOSCOW — Is Vladimir Zhirinovskiy, the racist demagogue whose party took a surprisingly big chunk of the vote in the new Russian parliament, an incipient Adolf Hitler?

declaring the winner's views "anathema." The Gore plan had to be say nothing until the high-riding Mr. Zhirinovskiy said something outrageous and then to zap him with "reprehensible" and "anathema" (the same highfalutin language that marked Yegor Gaidar's campaign).

The Ripples From Russia Can Rock Boats in Asia

By Gerald Segal

SINGAPORE — Russia's crisis is a long way from booming East Asia, but the impact of a less democratic and more slowly reforming Russia would be felt. It is not yet clear how much Russia will compromise with the rightist extremism of the nationalist Liberal Democratic Party or the leftist extremism of the former Communist Party.

would be shortsighted to take such pleasure. China's most profitable trade and investment relations are focused on East Asia and the West, and must remain so. China has no alternative but to integrate into the global market economy, although some authorities in what is left of the country's central planning structure or the defense sector might argue otherwise.

When You Appear Fascism

By Anthony Lewis

BOSTON — A specter is haunting Europe — the specter of extreme nationalism. When it appeared two years ago in Serbia, the United States and Western Europe decided not to treat it as a serious threat. They followed a policy of appeasement, a wheedling diplomacy that rewarded Serbian aggression.

Now the specter is before us in a form not so easy to ignore: the strong showing in the Russian legislative elections of the party headed by Vladimir Zhirinovskiy. He campaigned as an extreme nationalist and anti-Semite, calling for restoration of the Russian empire and the use of nuclear weapons if needed.



Just when you thought you were safe from Zhirinovskiy's antics, he shows up again. (Cartoon by [unintelligible])

People did not take Mussolini seriously at first, or even Hitler. Underneath all the foaming rhetoric, Hitler was just a silly little man, wasn't he? And besides, the Germans were a cultured people who would never let him carry out his barbaric threats.

Advertisement for International Herald Tribune. Includes contact information for various offices: New York, London, Paris, and other international locations. Lists names of key staff members like Richard McLean and John Vinocur.

Historical snippets from the newspaper's archives. Includes '1893: A Nest of Disease' (London), '1943: Rice Bowl Hit' (China), and '1918: A Party in Paris' (Paris).

155 من الأصل

When You
Appense
Fascism



Iran Paintings: The Eastern Perspective

HOUSTON — Looking at the art of the East from the Eastern perspective is a new approach that is proving remarkably successful in the United States.

The Arthur M. Sackler Gallery in Washington tested the ground with its exhibition of polychrome porcelain from private Chinese collections, which projected a very different image of the art from the one familiar in the West. Now a new vision of Iranian art is offered by the traveling exhibition "Arts of the Persian Courts," which is making its last stop at the Menil museum in Houston (until Jan. 16). As with the Chinese exhibition, the

SOUREN MELIKIAN

base is the private collector's approach. Abolala Soudavar, whose objects are on view, is a Houston-based businessman steeped in the two cultures, Eastern and Western.

The grandson of Hajji Hosayn Agha Malek, a merchant who founded Iran's richest private library and then endowed it as a public institution, Soudavar was brought up in his Tehran family home in an atmosphere of reverence for the book. He came to buying art gradually.

One day, in 1973, while a student in his 20s, he was shown a small gathering of calligraphic pages by the man who had been his grandfather's librarian. Out of the group there leaped to the eye two extraordinary pages that have pride of place in the current show. Measuring 169 by 99 centimeters (66 by 39 inches), the paper leaves each carry seven lines calligraphed in black ink in the script known as *mohabbat*. They are among the remains of a Koran volume executed around 1400, perhaps for Tamerlane.

A FEW architectural panels here and there reveal better than volumes of the ubiquitous importance of calligraphy in Iranian art. The wooden doors of a 15th-century mausoleum, with a saying of the Prophet carved at the top and the signature of the artist in a different script at the bottom, look like pages from an illuminated manuscript in three-dimensional carving.

The second striking feature in this unusual show is a recurring sense of history. In contrast to the so-called "Islamic art" exhibitions mounted by Western art historians who pick up objects and try to find out what they are without reading the language — which can be problematic when writing is everywhere — Soudavar bought his pieces because he read what they said. He makes the viewer want to look at them because they speak of great events and characters that shaped them.

The magnificent carved jade seal of Pir Budag, the eldest son of Jahanshah, who died in 1465 after having rebelled against his father, is in case. Not far away, the viewer can also see the opening page of a "Shah-Name" (Book of Kings) ripped off its manuscript by some dealer for the sake of the jobbed roundel. In it, a splendid inscription in the *reza* script records the donation of the now dispersed (or destroyed?) manuscript to the same Pir Budag. It would no doubt have been presented to him by someone eager to back his pretensions to kingship.

From the earliest times, the 50,000-distich poem, which was completed before the year 1000 by Ferdowsi, played a role in Iranian culture that far exceeds that of a literary work. The "Shah-Name" provided the pattern on which kings modeled their behavior on more than one occasion. Historians cite cases of a ruler riding into battle reciting verses from the work. Such was its importance in court life that, just as there was an official position of Koran Reader, so there was an official "Shah-Name" reader.

Two pages from a famous two-volume "Shah-Name," preserved in the main in Istanbul, give some idea of the magnificence of the work that once belonged to Pir Budag. They are rather cryptic for the two styles they reveal, which set them apart from any other manuscripts. But then, the history of Iranian book painting is still in its infant stage, with more than nine-tenths of the material never reproduced.

The high point of the exhibition is reached with pages torn from what was the most magnificent of surviving Persian manuscripts. It remained intact until the early 1970s. It then belonged to Arthur Houghton Jr., an American bibliophile and president of the Metropolitan Museum, who broke it up,



Page from the "Shah-Name" commissioned by Shah Tahmasp.

selling off some folios at auction, others through the English trade, and giving a number of others to the Metropolitan Museum.

Two pages in the show typify the quintessential Iranian approach to figurative art and the impact that calligraphic mastery had on mastery in outlining. In the scene illustrating the infant Zal being fed in its acerbic by the mythical bird Simorgh, the huge bird with swirling feathers is seen hovering against a golden ground. The curves are all drawn in single strokes without hesitation, as the shafts and the curves of lettering might be. Color is used not to describe what the eye sees, but to transcribe what the mind perceives as expressed in the metaphors of literature. The light in the sky is pure gold — the color of the sun — the grass, turquoise. Looked at closely, some of the rocks are seen to be full of human or animal faces, echoing yet again an old literary image.

Only when decadence hit the art of Iran by the middle of the 17th century did things change. The new trend came from India, which for centuries had turned to Persian culture when donning the Islamic garb. Linguistically, it adhered to the Persian model without fail. As early as the 14th century, a famous poet, Amir Khosrow of Delhi, born of a Turkish father and a Hindu mother, wrote the most vibrant eulogy of the Persian language ever, in a famous preface ("The Diba-chi") to one of his volumes of poems. It was, he pointed out, the one language that educated people communicated in throughout Hindustan.

But in art, the powerful Indian tradition led to a permanent process of assimilation and transformation. By the 17th century, the Persian-speaking courts of Hindustan included in the mix the totally alien art of Western Europe, absorbed through engravings and paintings. Strange hybrid miniatures can be seen in the show. Done in the Iranian technique, their characters have faces like those by Francois Clouet. It was the beginning of the end. The Westernized Iranians love it. Westerners love it too. It gives them the illusion of easy access to the art of the East.

Women by Pietro Longhi The New-Style 18th-Century Venice

By Roderick Conway Morris
International Herald Tribune

VENICE — Pietro Longhi put women center stage as never before in Italian art. Women are the focus of nearly all the pictures he painted — whether they be bright girls at their studies, sumptuously dressed aristocratic wives presiding over their households or nut and about during Carnival, masked or unmasked, street vendors, cheerful cooks, rollicking and sleeping peasants, reluctant, discreetly rouged and beauty-spotted young nuns, faithful retainers, old cronies and pretty working-class girls in search of wealthy local or foreign patrons.

Longhi was born in 1701 and was nearly 40 when he decided to abandon religious and historical subjects "in the grand manner" in favor of genre painting, a phenomenon he played an important role in establishing. "He changed tack," his son Alessandro later recorded, "and being of a quirky and witty disposition, he dedicated himself to everyday spectacles, or Conversation Pieces, playful treatments of love and jealousy, taken straight from real life." The engaging results of this midcareer switch are revealed in an admirable exhibition of more than 50 paintings and nearly as many drawings and prints at the Correr Museum (until April 4).

By the 1740s Venetian women were enjoying an unprecedented freedom unparalleled in the rest of Italy, or, in some respects, any other European city. Carlo Goldoni reflected this change in mores in his realistic dramas. "Men have reached the point that they are men in nothing but in name," lamented the buffoon Pantalone in one of the dramatist's dialect plays. "It's women that hold the whip hand. . . . The fair sex is triumphant — men have reduced themselves to slaves in chains, idolaters of beauty."



"Il rinoceronte" by Longhi.

LONGHI celebrated this feminine revolution in a fashion far more direct and unambiguous than that of his playwright friend Goldoni — almost turning himself into the artist-in-residence of this brighter, gayer, more adventurous and more pleasurable world.

His viewpoint was, no doubt, considerably influenced by the fact that these "new women" frequently were directly and indirectly responsible for commissioning his works, as is revealed in the splendid exhibition catalogue.

The artist's original entrée into the Venetian upper crust had been as a painter of large-scale mythological scenes, such as "The Fall of the Giants" in the Palazzo Sagredo. Thus he already had valuable contacts among potential buyers when he launched himself into genre painting. These small-scale works were not designed for the spacious *piano nobile* rooms where prosperous households entertained (and where historical and mythological scenes still held sway), but for the smaller, cozier apartments where (especially in winter) the family lived and where women were more likely to be in command of the decor.

This period also saw the proliferation of the *casino* and the *ridotto* — small, intimate rooms or apartments maintained by both men and women, where they could receive friends (or lovers), socialize, play cards and enjoy themselves away from home. Longhi's paintings — with their colorful, amusing, risqué scenes, often open to varying interpretations — were ideal ornaments for such settings.

Alessandro Longhi's 1762 "Compendium of the Lives of the Venetian Painters" describes Longhi as

an artist "praised in his home country, and beloved of all the Venetian nobility." It may, at first glance, seem puzzling, given the ironic and mildly satirical elements in many of his pictures, that the Venetian aristocracy should have been so willing to pay to have themselves sent up.

Yet evidently it was these sharply observed, humorously irreverent touches that made the works so appealing. Painters of stiff, official dynastic pictures (of the kind seen hanging on the wall in the background of Longhi's compositions) were two pence, but Longhi could hold up a mirror to his patrons "as they were" — with their beautiful clothes and comfortable homes certainly, but also with their characteristic gestures and poses, foibles and peculiarities.

In view of the importance of Longhi's female patrons, it is notable how often men are shown in a comic, even ridiculous, light. In "The Geography Lesson," to take a

typical example, the elder of two aristocratic sisters turns to face us as though being interrupted by our entry into the room (one or more figures look directly at us, the viewers, in virtually all of Longhi's pictures, cleverly drawing us into the scene).

UNLIKE Canaletto and Guardi, Longhi painted almost exclusively for the home market, and happily for Venice most of his best pictures remain there. Greater completeness is, nonetheless, achieved by the loan of some first-class canvases from other collections, notably in the United States and Britain.

The inspired thematic arrangement of the pictures, the stylish installation and the informative and stimulating catalogue make this show as good a way as can be imagined of awakening new interest in this humane and delightful artist.

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BOOKS

RUSSELL BAKER'S BOOK OF AMERICAN HUMOR
Edited by Russell Baker. 386 pages. \$30. Norton.

Reviewed by Burling Lowrey

RUSSELL Baker once noted how he inadvertently came to be regarded as the first humorist of the New York Times. As a fledgling columnist he simply wrote straight observations in plain idiomatic English but, compared with the stuffy stilted style of the rest of the paper, the column came across to his editors as humor. Fortunately, this erroneous perception stuck and has led to his compiling a rich collection, titled "Russell Baker's Book of American Humor." The emphasis is deliberately on the printed word as distinguished from "performance humor," which Baker mercifully omits from his book on the ground that it requires only a talent for delivering jokes.

However, over Baker's collection are both "A Subtreasury of American Humor," the 1941 collection by E. B. and Katharine White, and Harold Ross's New Yorker magazine. While Baker shows respect for the Whites' selections by admittedly "pilfering" some of their favorites, he eschews their desire to present a "canon" of our great humorists. Instead he simply selects what he likes. Of course, not all of us are on his wavelength — for example, few people can "translate" the Irish brogue of Finley Peter Dunne — but so be it. I prefer his subjective approach.

Assuming that all first-rate literary humor elicits a laugh-out-loud response, I would go out on a limb and list the following as the funniest essays in Baker's collection: Garrison Keillor's "What Did We Do Wrong?" focuses on a woman, Annie Stranski, hired to play professional baseball, who outdoes her teammates in raucous behavior on and off the field. It is a masterpiece of ironic detachment, timing and hilarious gender reversal.

Mark Twain's sketch of the Grangerford household in "Huckleberry Finn" still holds up as a delicious satire on what some today regard as the kitschy Disneyland-Hallmark card branch of middle-class sentimentality.

"Another (painting) was a young lady with her hair all

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Chaplin's bowler: An unidentified British collector paid \$55,000 (about \$82,500) for Charlie Chaplin's trademark bowler hat and cane. Christie's in London said. The hat and the cane were used by Chaplin in the 1940 film, "The Great Dictator."
Garbo's letters: A set of 40 letters by Greta Garbo has been sold at

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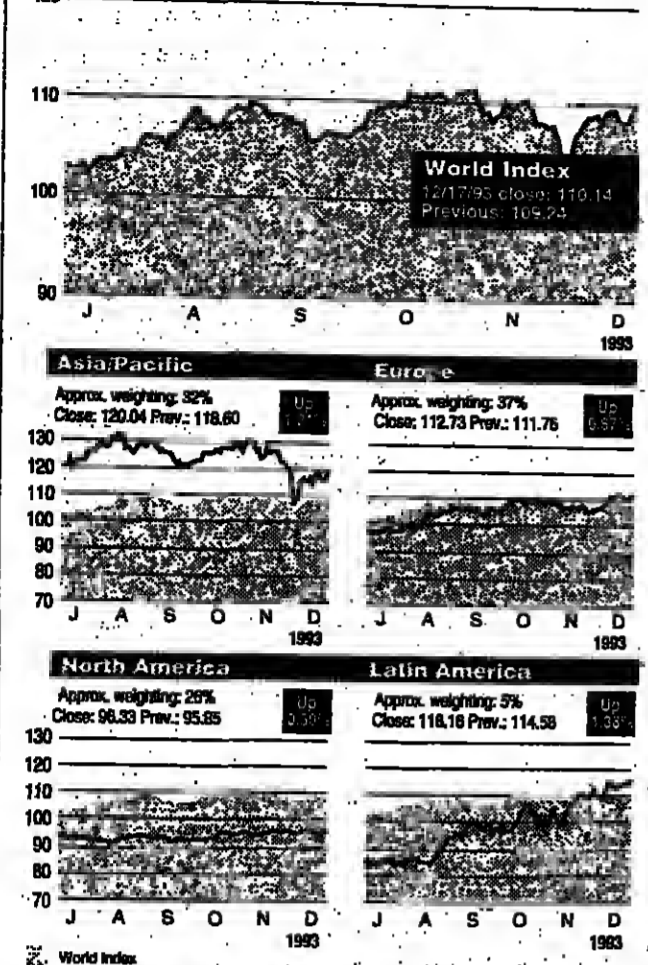
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Industrial Sectors table with columns for Sector, Pct. change, and % change.

Toshiba Penalized Over Sale

Short Hiatus for East Berlin Deal

Compiled by Our Staff From Dispatches TOKYO — Japan on Friday barred Toshiba Corp. from exporting integrated circuits to 27 countries...

Worker Buyouts in the Air

United Offer May Portend Other Deals

Compiled by Our Staff From Dispatches The employees of United Airlines are seeking to embark on a course that could affect far more than America's largest air carrier...

Chief Is Fired At Big German Metals Company

Compiled by Our Staff From Dispatches FRANKFURT — Metallgesellschaft AG, accusing its senior managers of a "breach of duty," fired its chief executive...

EC's 'Last' Steel Subsidies

BRUSSELS — European Community industry ministers on Friday reached a deal on the six major restructuring cases in the Community's state-controlled steel sector...

Telekom Group Reportedly Wins Hungary Stake

BUDAPEST — A consortium of Deutsche Telekom and Ameritech Corp. has won Hungary's tender to buy a 30 percent stake in state-owned Hungarian Telecommunications Co....

ECONOMIC SCENE

A German Pricks Corporate Balloons

By Silvia Wadhwa Bloomberg Business News WÜRZBURG, Germany — For Germany's corporate lords he has long been a thorn in the flesh...

A Yale Economist Punches Holes in Ghastly Gifts

By Don R. Hecker New York Times Service NEW YORK — Surveying the holiday season from the vantage point of the dry science of economics, a Yale University professor has calculated the "deadweight loss" of all those gifts recipients didn't like...



To all of our friends and clients, a joyous holiday season and a Happy New Year.

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CURRENCY & INTEREST RATES

Table with multiple columns for Cross Rates, Eurocurrency Deposits, Key Money Rates, and Forward Rates.

MARKET DIARY

Outlook for Rates Gives Shares a Lift

Bloomberg Business News NEW YORK — Stocks climbed Friday as mounting evidence of a growing economy failed to push up interest rates and overseas stock markets rallied. The quarterly expiration of futures and options on stocks and indexes further contributed to the gain, as did reports suggesting the Federal Reserve Board does not think interest rates need to rise to fight inflation. The Dow Jones industrial average gained 25.43 points to 3,751.57, driven by International Business Machines Corp. AlliedSignal Inc. and General Electric Co. IBM was the average's biggest gainer, up 2 1/4 after an analyst raised his earnings outlook for the company. New York Stock Exchange volume was 357 million shares. Advancing issues outpaced declines by about 7 to 3. The bond market was strong, with the yield on the 30-year Treasury falling to 6.23 percent from 6.3 cents on Thursday. This came in the face of a housing-start number that suggests the economy is continuing to move along, albeit at a slow pace. "said Joseph DeMarco of Marinvest. The Commerce Department said Friday that housing starts in No-

vember climbed 3.9 percent to a seasonally adjusted rate of 1,432 million, the highest level in almost four years. Evidence of economic recovery lent "a positive bias" to stocks, while option and futures expiration was a wild card, said Dennis Jarrett, chief market analyst at Kidder, Peabody & Co. The housing starts report did not drive long-term interest rates higher, helping to stabilize stock prices, he said. Rallies Friday in Paris, London and Frankfurt stock markets also were "a positive influence" on U.S. prices as investors looked to an eventual European economic recovery. Mr. Jarrett said. IBM jumped to 59 1/4, a 52-week high. The computer maker's fourth-quarter earnings forecast was raised by Stephen Smith, an analyst at PaineWebber Inc., a day after a similar move at Merrill Lynch & Co. General Electric rose by 1 1/2 after the company raised its quarterly dividend to 72 cents a share from 63 cents. Regional bank stocks were among the day's winners, profiting from the interest-rate outlook. First Federal Bancorp rose 1 1/2 to 45 1/2. Wachovia Corp. advanced 1 1/2 to 33 1/2. Suntrust Banks Inc. increased 1 to 45 1/2 and Norwest Corp. added 3/4 to close at 24 1/4.

The dollar rose to a five-month high against the yen Friday amid speculation that the Bank of Japan will cut key interest rates soon. Traders sold yen after a Japanese news service reported that the Japanese Renewal Party, one of the most powerful in the country's coalition government, recommended the Bank of Japan cut its discount rate to spur the torpid economy. "People have been looking for a rate cut for some time," said David Gilmore, senior foreign-exchange analyst at MCM CurrencyWatch. "It's more likely to happen now that sources in the government are calling for one."

Japan Rate Cut Rumors Lift Dollar Against Yen

Bloomberg Business News NEW YORK — The dollar rose to a five-month high against the yen Friday amid speculation that the Bank of Japan will cut key interest rates soon. Traders sold yen after a Japanese news service reported that the Japanese Renewal Party, one of the most powerful in the country's coalition government, recommended the Bank of Japan cut its discount rate to spur the torpid economy. "People have been looking for a rate cut for some time," said David Gilmore, senior foreign-exchange analyst at MCM CurrencyWatch. "It's more likely to happen now that sources in the government are calling for one."

The Bank of Japan's discount rate is already a record low 1.75 percent, compared with 3 percent in the U.S. and 5.75 percent in Germany. Members of the Renewal Party said the Bank of Japan should lower the discount rate to zero or 0.5 percent, according to Jiji news service. The dollar failed to rise further because traders were concerned that the rally would prompt Japanese exporters to sell the U.S. currency aggressively. Exporters earn revenue in dollars, which they must sell for yen when they return profits to Japan. Many have been waiting for the dollar to rally in order to sell.

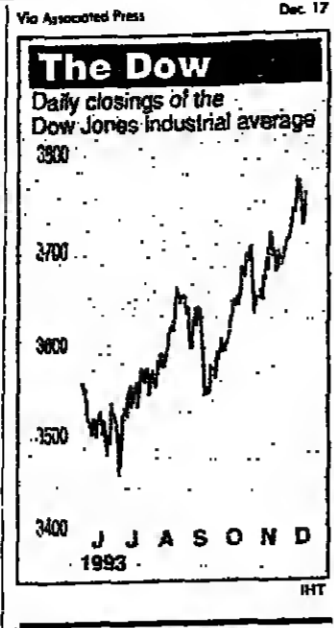
The dollar rose to 110.25 yen, its highest level since July 12. It finished at 110.30 yen, up from 109.56 yen late yesterday. The dollar was unchanged from Thursday at 1.7094 Deutsche marks and was slightly lower at 5.8380 French francs after 5.8375 francs. The U.S. currency was higher against the Swiss franc, at 1.4615 francs after 1.4601 francs and the pound slipped to \$1.4860 from \$1.4873.

Foreign Exchange

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METALL: German Company Fires Chief Executive

Continued from Page 9 Corp. and MG Refining & Marketing Inc. Amid speculation about Mr. Schimmler's ouster, shares of Metallgesellschaft fell to 309.30 DM on the Frankfurt stock exchange Friday, up 16.30 from Thursday's close, before dropping in after-hours trading to 299.50. The shares, which had dropped more than 30 percent in the past



HT

Dow Jones Averages table with columns for Index, High, Low, Last, and Change.

Standard & Poor's Indexes table with columns for Index, High, Low, Last, and Change.

NYSE Indexes table with columns for Index, High, Low, Last, and Change.

NASDAQ Indexes table with columns for Index, High, Low, Last, and Change.

AMEX Most Actives table listing various stocks and their prices.

AMEX Stock Index table with columns for Index, High, Low, Last, and Change.

Dow Jones Bond Average table with columns for Index, High, Low, Last, and Change.

Market Sales table with columns for Index, High, Low, Last, and Change.

N.Y.S.E. Odd-Lot Trading table with columns for Index, High, Low, Last, and Change.

S&P 100 Index Options table with columns for Index, High, Low, Last, and Change.

AMEX Diary table listing various stocks and their prices.

NASDAQ Diary table listing various stocks and their prices.

EUROPEAN FUTURES table with columns for Index, High, Low, Last, and Change.

Food table with columns for Index, High, Low, Last, and Change.

Metals table with columns for Index, High, Low, Last, and Change.

Stock Indices table with columns for Index, High, Low, Last, and Change.

Spot Commodities table with columns for Index, High, Low, Last, and Change.

Financial table with columns for Index, High, Low, Last, and Change.

3-MONTH EURO DOLLARS table with columns for Index, High, Low, Last, and Change.

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U.S. FUTURES

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Housing Starts Best Since 1990

WASHINGTON (AP) — Housing starts jumped 3.9 percent in November to the highest level in nearly four years, the government said Friday. The gains reflected a low rate of interest and an improving economy. The Department of Commerce said construction of homes and apartments totaled 1.43 million in October, advances in the Northeast and South offset slight declines in the Midwest and West. The report was in line with analysts' expectations. Many attribute recent activity to affordable mortgage rates, improved job opportunities and rising consumer confidence. The fourth straight advance pushed the starts level to its highest since a 1.44 million rate in February 1990.

Goodyear Takes \$86 Million Charge

NEW YORK (AP) — Goodyear Tire & Rubber Co. said Friday it would take a one-time net charge of \$86.3 million, or 59 cents a share, due to accounting changes relating to post-employment benefits. It said the charge was retroactive to the beginning of 1993. It added that the changes are not expected to materially affect current or future company results or financial position beyond the one-time charge.

Houston Bank and FDIC Settle Case

HOUSTON (Bloomberg) — First City Bancorporation of Texas and the Federal Deposit Insurance Corp. have reached a tentative settlement on a \$3 billion lawsuit that could return more than \$125 million to creditors of the failed Houston bank. Allen Whitney, spokesman for the FDIC board, agreed to pursue a two-stage settlement that would immediately pay off uninsured depositors and allow First City to emerge from Chapter 11 bankruptcy.

Wang Set to Issue Stock to Creditors

LOWELL, Massachusetts (AP) — The newly reorganized Wang Laboratories Inc. said Friday it would begin issuing 30 million shares of common stock, most of it to a predetermined group of investors: Wang's creditors. Wang said the new stock will be traded on the Nasdaq exchange within a few days, once Nasdaq determines that enough shares have been distributed to satisfy the demand for trading. The company, which emerged from Chapter 11 bankruptcy protection in September, was obligated to issue the 30 million shares under its reorganization plan.

Reuters to Buy Tekntron Software

LONDON (Combined Dispatches) — Reuters Holdings PLC said Friday it would buy Tekntron Software Systems Inc. of California, a specialist in digital trading systems, for \$125.1 million. The deal is subject to the approval of British and U.S. competition regulators. But David Ure, Reuters' executive director, said he was confident the deal would not be blocked by authorities in Britain. (Bloomberg/Reuters)

GE Splits Common Stock 2-for-1

NEW YORK (Knight-Ridder) — Directors of General Electric Co. announced a 2-for-1 split of its common stock Friday. GE also increased the quarterly dividend on the common stock to 72 cents a share from 63 cents, payable Jan. 25 to holders of record Dec. 31.

For the Record

Seagram Co. has purchased another 4.5 million shares of Time Warner Inc., increasing its stake in the media and entertainment conglomerate to 9.3 percent, or about \$1.54 billion. Philip Morris Cos. will buy the 55 percent it does not already own in the Brazilian soft drink and bubble gum producer Q-Refr-Ko. (Knight-Ridder) Motorola Inc. said Gary Tooker, acting chief executive since the sudden departure of George Fisher for Eastman Kodak Co. on Oct. 27, had been given the job permanently. (NYT)

WORLD STOCK MARKETS

Table of World Stock Markets showing various indices and their values across different regions like Amsterdam, Helsinki, Paris, Sydney, Tokyo, etc.

U.S. FUTURES

Table of U.S. Futures markets including Grains, Metals, Lifestock, and Food sections.

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Switzerland Rejects Attempt to Loosen Bank-Secrecy Laws

BERN — The Swiss legislature refused Friday to loosen bank-secrecy laws, a refusal that critics said would revive charges that the country is a haven for drug profits and other illicit money.

Oilseeds Rules Agreed by EC

BRUSSELS — European Community farm ministers agreed Friday on measures to implement an oilseeds accord with the United States.

Conservatives in the National Council, or lower house, defeated three government motions that would have opened Swiss-based banks to unprecedented outside scrutiny.

French Discretion Hurts Business Intelligence Lags Due to Secrecy

NICE — A penchant for secrecy has caused France to lag behind other industrial nations in the vital field of business intelligence, according to executives and government officials.

United States has about 250, and Germany about 600 operating worldwide.

British Gas Reshapes Operations

LONDON — British Gas PLC said Friday that it would restructure its operations into six business units, replacing the company's regional organization scheme.

Colby, a former head of the Central Intelligence Agency, has said that the future of world powers lies in business intelligence.

Very briefly:

- Unilever PLC said Morris Tabaksblat had been nominated to succeed Floris Majers as chairman of Unilever NV and as a vice chairman of Unilever PLC at the annual general meetings of the linked British and Dutch consumer-products companies in May 1994.

CORPORATE: A German Tangles With the Business Power Structure

Continued from Page 9
mens and VEBA AG have all received the dubious honor of a Wengler visit. All had to get used to the unorthodox professor claiming the speaker's platform and lashing out at management. And all were sliced by Mr. Wengler's sharp tongue.

microphone to force Mr. Wengler from the speaker's dock. At the Daimler meeting, Mr. Kopper, who chairs the industrial enterprise's supervisory board, lost his temper and ordered security guards to escort Mr. Wengler from the room.

"They have been allowed to become too powerful, more like feudal lords than democratic leaders of a company," he says. "And because there is nobody to challenge their decisions, they are only obsessed with making money for themselves, and have long ignored the interests of their private shareholders."

IBM: 13,000 Job Cuts in Europe

Continued from Page 1
effectively, the company is aiming to specialize its sales staff.

NASDAQ

Friday's Prices
NASDAQ prices as of 4 p.m. New York time. This list compiled by the AP consists of the 1,000 most traded securities in terms of dollar value. It is updated twice a year.

12-Month High	Low	Stock	Div	Yld	PE	52-Week High	Low	Latest Cl	Chg
120	110	IBM	1.20	4.5	15	120	110	115	+5
100	90	Microsoft	1.00	5.0	18	100	90	95	+5
80	70	Oracle	0.80	4.0	12	80	70	75	+5
60	50	Cisco	0.60	3.5	10	60	50	55	+5
40	30	Intel	0.40	3.0	8	40	30	35	+5

12-Month High	Low	Stock	Div	Yld	PE	52-Week High	Low	Latest Cl	Chg
150	140	Alcatel	1.50	4.0	15	150	140	145	+5
120	110	Alstom	1.20	3.5	12	120	110	115	+5
100	90	Boisjoly	1.00	3.0	10	100	90	95	+5
80	70	Comptel	0.80	2.5	8	80	70	75	+5
60	50	France Telecom	0.60	2.0	6	60	50	55	+5

12-Month High	Low	Stock	Div	Yld	PE	52-Week High	Low	Latest Cl	Chg
180	170	Telecom Italia	1.80	3.5	12	180	170	175	+5
160	150	Telecom France	1.60	3.0	10	160	150	155	+5
140	130	Telecom Spain	1.40	2.5	8	140	130	135	+5
120	110	Telecom UK	1.20	2.0	6	120	110	115	+5
100	90	Telecom Germany	1.00	1.5	4	100	90	95	+5

12-Month High	Low	Stock	Div	Yld	PE	52-Week High	Low	Latest Cl	Chg
110	100	Telecom Netherlands	1.10	1.5	4	110	100	105	+5
90	80	Telecom Belgium	0.90	1.0	3	90	80	85	+5
70	60	Telecom Denmark	0.70	0.5	2	70	60	65	+5
50	40	Telecom Austria	0.50	0.5	2	50	40	45	+5
30	20	Telecom Sweden	0.30	0.5	2	30	20	25	+5

12-Month High	Low	Stock	Div	Yld	PE	52-Week High	Low	Latest Cl	Chg
130	120	Telecom Norway	1.30	1.5	4	130	120	125	+5
110	100	Telecom Finland	1.10	1.0	3	110	100	105	+5
90	80	Telecom Greece	0.90	0.5	2	90	80	85	+5
70	60	Telecom Portugal	0.70	0.5	2	70	60	65	+5
50	40	Telecom Ireland	0.50	0.5	2	50	40	45	+5

12-Month High	Low	Stock	Div	Yld	PE	52-Week High	Low	Latest Cl	Chg
150	140	Telecom Luxembourg	1.50	1.5	4	150	140	145	+5
130	120	Telecom Slovenia	1.30	1.0	3	130	120	125	+5
110	100	Telecom Czech Republic	1.10	0.5	2	110	100	105	+5
90	80	Telecom Slovakia	0.90	0.5	2	90	80	85	+5
70	60	Telecom Hungary	0.70	0.5	2	70	60	65	+5

Hosokawa Pledges To Answer Calls To Help Economy

The Associated Press
TOKYO—Prime Minister Morihiro Hosokawa said Friday that his government would do its best to help the nation's economy. But cabinet ministers were still split over exactly what to do and when.

Responding to an urgent appeal for action from a high-level advisory committee on the economy, Mr. Hosokawa told the country's Federation of Economic Organizations that he would try to get a draft budget for the fiscal year that starts April 1 compiled by Dec. 31.

Officials are still debating whether to draft a budget before the end of the calendar year, as is customary, or to first handle other matters such as the political reforms that were at the heart of Mr. Hosokawa's campaign promises in this year's elections.

Gaishi Hiraiwa, head of the federation, which is known as Keidanren, urged the government on Thursday to cut income taxes soon and to take steps that would help in the longer term, such as reducing business regulations and encouraging real estate transactions and consumer spending.

The advisory committee's report said Japan should "escape from its current dead-end state and carve a path to a new future."

Mr. Hosokawa told the Keidanren the government wants "to try to answer such expectations."

The government's indecision over economic policy has been cited as a reason for financial markets' poor performance in recent weeks and has begun to erode Mr. Hosokawa's popularity.

Squabbling over Japan's decision to allow rice imports and other issues prompted Parliament this week to extend its session.

Firms to Get Help on Jobs
 Japan's Labor Ministry has drawn up a 326 billion yen (\$2.97 billion) emergency program to help struggling companies retain jobs, Agency France-Press reported, quoting ministry officials.

The program, which is about three times the size of a similar program launched in 1987 to help businesses deal with the rapid rise in the yen's value, is to be implemented next month.

Part of the program will be funded by a supplementary budget enacted Wednesday, the officials said.

Seoul Pushes Industry to Shape Up Efficiency and Privatizing Drive Targets 133 Firms

Bloomberg Business News
SEOUL—From his hiding place somewhere in Japan, Park Tae Joon must sometimes marvel at his sudden transformation from one of South Korea's biggest industrialists into a fugitive from the law.

Twenty-five years ago, he was asked by an old army buddy, Park Chung Hee, then the president, to found a steel mill for South Korea that would help speed up economic development by concentrating public funds into a vital industry.

Until last year, Pohang Iron & Steel Co. was considered a success story. Korean industry was built on Pohang's cheap, quality steel. In their neat, yellow uniforms and military-style boots, Pohang's employees were in the vanguard of South Korea's march toward industrialization.

Today, Park Tae Joon is on the run and Pohang is trying to revamp its image. The company is just one of 133 South Korean enterprises in which the government owns a stake that are being prodded and poked to become lean and clean corporations by the administration of President Kim Young Sam.

Included on the hit list of the fat and lazy are such names as Korea Telecom and Korea Electric Power Co.

The government wants to overhaul what it believes is a bloated and corrupt industrial sector. One of its first targets was Pohang. With \$8 billion in annual sales, Pohang remains South Korea's largest steel mill. Early this year, the government slapped a \$35 million penalty on the steel company for tax evasion and mismanagement of funds.

public attention on Mr. Kim's industrial efficiency campaign. The issue remains in the public eye, however, because the 133 companies being targeted dominate key economic sectors, notably power, transportation and telecommunications. In all, they employ 370,000 people.

The 133 companies are a mixed bag. There are 23 once completely government-owned and in which the government still holds a majority stake. There are 102 subsidiaries partly owned by these 23. Of the remaining eight, of which Pohang is one, the government holds less than 50 percent equity.

Early last month, government ministries unveiled plans to privatize, merge or trim many of these leviathans. Specifically, the government will soon sell its remaining shares in about half of the companies, including Asiana Airlines, Daewoo Shipbuilding, Korea Heavy Industries & Construction Co., Korea Mobile Telecom Co. and Pohang.

Critics say managers had taken advantage of government negligence to grow flabby and jaded. By the end of this year, the government says it will draft a plan to eliminate excessive employee welfare benefits and reprimand undisciplined managers.

In the late 1980s, Seoul wanted to sell off 11 key public enterprises to the public. But a prolonged stock market slump forced it to abandon them. It settled for liquidating part of its holdings in Pohang in 1988 and in Korea Electric Power Corp. in 1989.

Another alternative is for the government to submit its shares to bidding by businesses and institutions. But the government fears this might only increase the concentration of national wealth in the hands of conglomerates, already accused of monopolizing the economy.

"It's a worldwide trend to privatize public companies," says Scott Foster, research head at Merrill Lynch Securities' Seoul branch. "The Korean government will follow the trend, even gradually."

Employees at Pohang aren't waiting. In July, the company adopted a code of ethics that forbids bribery and politics.

In August, employees tossed their military boots aside. In October, the yellow uniforms of Park Tae Joon's Pohang Iron & Steel had quietly been replaced with more individualistic street fashions.

The government wants to overhaul what it believes is a bloated and corrupt industrial sector.

Investor's Asia				
Exchange	Index	Friday Close	Prev. Close	% Change
Hong Kong	Hang Seng	10,698.80	10,338.60	+2.22
Singapore	Straits Times	2,280.20	2,285.99	-0.25
Sydney	All Ordinaries	2,080.20	2,074.80	+0.26
Tokyo	Nikkei 225	14,051.91	17,788.28	+1.48
Kuala Lumpur	Composite	1,199.53	1,129.59	-0.28
Bangkok	SET	1,513.85	1,512.86	+0.08
Seoul	Composite Stock	874.10	870.72	+0.38
Taipei	Weighted Price	5,275.76	5,331.87	-1.07
Manila	Composite	2,652.43	2,614.97	+1.81
Jakarta	Stock Index	N.A.		
New Zealand	NZSE-40	2,080.50	2,099.22	-0.89
Bombay	National Index	Closed		

- Very briefly:**
- India's regulators are working out arrangements for trading stock without brokers, the chairman of the Securities and Exchange Board said, as brokers continued their strike over the board's decision to ban forward trading in stocks without delivery, an attempt to check speculation.
 - Hong Kong's economy is likely to grow about 5 percent in 1994, Hongkong & Shanghai Banking Corp. said in a report.
 - Unilever PLC formed Unilever Hong Kong Ltd. to succeed its Lever Brothers (China) Ltd. subsidiary and provide consumer products to the booming Hong Kong market.
 - Matsushita Electric Works Ltd. will form a joint venture in Guangzhou, China, to make electric razors for domestic sale and export.
 - Japan agreed to implement a product liability law to protect consumers from defective products, but government ministries will hold further discussions before deciding when to introduce the law.
 - Total Centre Mer, a unit of Total SA of France, will form a joint venture in Vietnam to import and distribute liquefied natural gas.
 - Vickers Ballas Holdings Ltd.'s initial public offering Monday is expected to be priced at 3.68 Singapore dollars (\$2.31), or 20 times the Singapore brokerage concern's projected 1993 earnings per share.

New Zealand Avoids Loss In Selling Fletcher Stake

Compiled by Our Staff From Dispatches
WELLINGTON—The government sold its stake in Fletcher Challenge Ltd. on Friday and said it had avoided a loss on an investment it had made reluctantly in early 1992.

The government became Fletcher Challenge's fourth-largest shareholder after the paper and pulp, building materials and energy concern exercised an option to sell the stake to the state at 3.83 New Zealand dollars (\$2.15) a share. The stock subsequently fell as low as 1.63 dollars.

Since the acquisition, the stock has been split into two classes, representing Fletcher Challenge and Fletcher Forest Ltd. The price has rebounded as Fletcher Challenge sold assets to reduce debt.

On Friday, the Finance Ministry said, the government sold 104 million Fletcher Challenge shares and 26 million Fletcher Forest shares, mostly to foreign institutions, for 418 million dollars.

Fletcher Challenge shares fell 10 cents to 3.33 dollars Friday, said David Stanley, an analyst at Doyle Paterson Brown, said he expected the weakness to be temporary.

Australian Treasurer, Dawkins, Resigns

Compiled by Our Staff From Dispatches
CANBERRA—Australia's treasurer, John Dawkins, unexpectedly resigned Friday, sending the country's currency into a tailspin.

Mr. Dawkins, who is 46 years old and had held the job for two years, cited family reasons. One of Prime Minister Paul Keating's closest allies, he also said he would retire from politics altogether before the next election, which is due in 1996.

The resignation was a surprise, because the treasurer, who is in charge of national fiscal policy, appeared to have weathered the storm over the 1993-94 government budget. It was presented in August and finally passed by an opposition-dominated Senate in October.

Mr. Dawkins had been criticized by Labor Party colleagues for his handling of the budget, and the Australian dollar was badly affected by the prolonged battle over it. Tax legislation forms the core of the government's plan to reduce the federal deficit to 6.2 billion dollars (\$4.15 billion) by mid-1997 from a forecast 16 billion dollars in the fiscal year started July 1.

After Friday's announcement, the dollar slumped to about 67 U.S. cents from 67.45 cents previously.

Mr. Dawkins, cradling his nine-week-old daughter and with his wife, Maggie, at his side, told reporters: "Not everybody understands what it means to try and conduct a sensible family life when you have to travel 3,000 kilometers to work." His home in Fremantle, Western Australia, is 1,860 miles from Canberra.

Mr. Dawkins said he was pleased to have set Australia on the road to economic recovery. Consumer prices rose by 2.2 percent over the year to September while gross domestic product grew by 3.4 percent.

Mr. Keating's office said a replacement would be chosen early next year. A spokesman for Mr. Dawkins said he would continue as treasurer until then.

Among the likely contenders for his job is Finance Minister Ralph Willis, who held the post of treasurer for a few days before Mr. Keating replaced Bob Hawke as Labor Party leader in December 1991.

Another contender is Employment Minister Kim Beazley.

BUYOUTS: United Employees' Offer May Foreshadow Similar Deals

Continued from Page 9

ferent unions work together over the long run?

Observers said the deal would fall far short of revolutionizing the carrier's management.

Even though United's top two current executives would leave under the deal, "Wall Street analysts are simply and plainly wrong when they suggest that unions would be running this company," Mr. Blasi said.

Employees would have no more than four out of 12 or 13 board seats, he said, adding that "the sway of power on the board would be in the hands of independent directors."

Henry Hansmann, an economist and law professor at Yale University, said that the deal appeared to be the only way United and its unions could find to renegotiate their labor contracts.

"And that's how it should be seen, rather than as a real shift in control," he said.

The airline industry appears poised to serve as the test for the validity of employee ownership in the 1990s. With the purchase of United added to large minority stakes at Trans World Airlines and Northwest Airlines, employees will have major positions in airlines that carry more than 40 percent of the air travelers in the United States.

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AMEX Friday's Closing									
12 Month High	12 Month Low	Div	Yld	PE	100s	High	Low	Latest	Chg
100	80	1.00	4.00	15.00	100	100.00	98.00	99.50	+1.50
200	150	2.00	4.00	15.00	200	200.00	195.00	198.00	+3.00
300	200	3.00	4.00	15.00	300	300.00	290.00	295.00	+5.00
400	300	4.00	4.00	15.00	400	400.00	390.00	395.00	+5.00
500	400	5.00	4.00	15.00	500	500.00	490.00	495.00	+5.00
600	500	6.00	4.00	15.00	600	600.00	590.00	595.00	+5.00
700	600	7.00	4.00	15.00	700	700.00	690.00	695.00	+5.00
800	700	8.00	4.00	15.00	800	800.00	790.00	795.00	+5.00
900	800	9.00	4.00	15.00	900	900.00	890.00	895.00	+5.00
1000	900	10.00	4.00	15.00	1000	1000.00	990.00	995.00	+5.00

THE FINANCIAL REPORT

FIRST COLUMN

Rich Promise, or Just High Anxiety?

By Conrad de Aenle

Rate Rise Could Cause Funds' Fall

ONE of the least surprising predictions for next year is a gentle raising of interest rates in the United States. The rationale is well known: A rate rise is supposed to take any consumer-led inflationary heat out of the economy. But the consequences, at least for a sector of the economy dear to the hearts of popular capitalists, may be dire in the extreme.

The mutual fund industry is set to suffer almost like no other sector if U.S. interest rates are at all overdone. There are two, interrelated reasons for this.

First, a rise in rates will make deposit accounts more attractive again. There is as yet no conclusive research on individual investment patterns, but it seems clear that lower interest rates did not so much attract individual investors' money into equities as remove it by force from suddenly unappealing deposit accounts. Armed with low interest rates, mutual funds begged deposit accounts. Next year the funds will be disarmed as the volume of new business falls.

Second, mutual fund managers need low interest rates to provide them with income. Managers are victims of the cost-consciousness of their investors, who are unwilling to accept a front-end deduction of several percentage points from their investment. Thus, U.S. firms have taken to offering back-end loads and "no-load" funds, where the charges are deferred.

But that means managers are handling vast amounts of money (around one U.S. household in two has a fund investment) without being able to derive an up-front income. They have found two solutions to this.

Some have taken out loans (a viable option when rates are low); others have offered bonds to the market (effectively getting cash from institutions on the strength of the deferred payments due from individuals). Again, the bond option is viable and attractive to bond investors when rates are low.

So, a hike in rates may not cause share prices to nosedive, but it would leave fund managers in a cash crisis, struggling to operate their businesses.

M.B.

ONE thing is certain: It is time to be ambivalent. With the latest round of stock market highs this week (six Pacific markets reached an all-time peak on the same day, with London and Frankfurt also breaking old records) investors must feel that it's hard to buy stocks, and it's hard not to.

One argument is that the bull market has been going on for too long in the United States and many other places — nearly 20 years, if you begin counting at the deep recession low late in 1974. The rebuttal is that proponents of that argument have been using it to encourage selling shares for the last 50 percent of the move.

One way to heed both points of view is to buy the right fund, even if it proves not to be the right time. Some equity funds show returns that meet or beat the market in good periods, while cutting losses considerably during bad ones.

The key to finding one, say fund managers and the people who study their performance, is to look for consistency and a style of management that favors buying stocks cheap, rather than after they have already had a fair run.

"One of the best things to do is take a look at funds that have had relatively consistent records, what we call all-weather performers — funds that do well in markets with growth issues leading the way and also in years when value leads the way," advises Jim Coursey, an analyst at Morningstar Mutual Funds, which rates the performance of American funds.

Equity funds generally are broken down into these two categories, which reflect opposing investment philosophies. The manager of a value fund looks for stocks that are priced relatively low in comparison with the value of the company's assets or its ability to make money.

A growth fund manager does not root around looking for diamonds in the rough; he wants glitter. Growth managers favor companies that are generating strongly increasing earnings, and they are willing to pay premium prices on the expectation of those gains. The first kind, Mr. Coursey believes, is the safest.

"A lot of really good long-term funds you can use in defensive ways are going to be run by these value-oriented managers who want to look for good earnings but want to buy them at a low price. If the low price is truly a temporary phenomenon, they're going to get much more upside potential."

But with less risk, "Those funds that use a value approach tend to avoid high-priced

stocks vulnerable in down markets," said Richard Dahlberg, who manages Massachusetts Financial Services' MFS Total Return Fund, a balanced portfolio that mixes stocks and bonds.

Managers with a growth-and-momentum style aren't so lucky. "That one will give you a wider ride in both directions because that's where the herd is going," Mr. Dahlberg said. The trouble is that those who follow the herd are often late figuring out which way the herd is moving.

"It seems to me that . . . those who have high cash at the bottom and low cash at the top are these momentum-type people who sell stocks after they're down 15 percent," he said. "They follow the trend. It's a difficult game because things can change pretty fast."

Another reason he thinks value managers have an edge in defensive investing is high dividend yields, because "the higher the yield you have, the better the cushion in down markets." As a company's stock price falls, its dividend yield grows. If the yield is high enough to start with, it can become a reason in itself to buy, or at least to stop selling. That puts a floor under the price.

A value fund like Vanguard Windsor "has a higher-than-average yield because (the manager) is picking the down-and-outs," he said. "Another example is that of a high-yielding, safer fund is Fidelity Puritan."

Mr. Dahlberg practices what he preaches: "I make my gains by following a value approach. I think that what you're doing is getting undervalued stocks for when the market is going up, and the combination of high yields and depressed price-earnings ratios, versus the rest of the market, that help on the downside. What goes into the portfolio has underperformed for a couple of years or more. That's what attracts us to it."

Sometimes a fund can be cheap, even if the staff it owns may not be. Closed-end funds, which have a finite number of shares, fluctuate in price the same as stocks and can trade at steep discounts to the value of their assets. Buying one in that condition helps lessen any blows should the market stumble.

"That provides a superior risk/reward relationship," said Thomas J. Herzfeld, a money manager and financial adviser who specializes in these types of funds. "If the market moves higher, the discount will narrow and the fund will outperform; in a declining market, if the discount erodes, it will offset the loss in the portfolio."

Mr. Herzfeld advises looking for a fund trading at a discount 5 percent wider than the average discount at which it normally trades and wider also than the discount for other funds of its type.

For managers of open-end, or mutual, funds, picking low-priced stocks is not the

only method of protecting their shareholders against a fall. Some pick nothing, or at least not as much as usual, and build up a store of cash.

There are two ways a fund stays defensive," said Ken Weber, president of Weber Asset Management, which runs a fund-oriented portfolio management service. "One is by shifting the types of investments it's in, going into defensive areas for their stock picks; that takes a great deal of skill. The other way, of course, is increasing cash positions, which also takes a great deal of skill."

Funds that take the second approach include the Lindner group, which Mr. Weber said "will take on large positions in bonds and cash when they're defensive," the Strong Total Return Fund, which "has done it successfully sometimes and not so successfully others," and the Janus Fund, one of the more successful funds of the last several years. That fund lately has had about a fourth of its assets in cash, much higher than most stock funds.

Mr. Weber adds that while value funds do tend to be less volatile and so pose less risk short term, anyone who plans to hold a fund for a long stretch should not worry about its ups and downs along the way and should use other criteria to choose a management style. And whichever style is selected will probably work out all right, as long as it is chosen with conviction.

"If you're investing longer term, pick a style and stick with it; the best defense is a good offense," he said. "You can go with growth or value, but stick with it."

Mr. Dahlberg finds it hard to stick with stocks. While his fund typically has two-thirds of its assets in equities and the rest in bonds, the equity portion is down to 45 percent.

"Today, when the market is very expensive, we tend to have less in stocks," he said. "What I'm doing is guarding against the downside. The market is horrendously overpriced, by historical standards."



Coping with a Grisly Market

The funds which performed best during the two worst quarters of the last ten years; the fourth quarter of 1987 and the third quarter of 1990.

Best Growth 87		Best Growth 90	
Fund	Return	Fund	Return
DFA Japanese Small Company	112.88	Northwest Growth Fund	100.86
Security Equity	105.17	Mathers	100.84
Invesco Int'l Growth	105.06	Dreyfus Small World Invest	98.50
Northwest Growth Fund	100.86	Mutual Shares Appreciation	98.01
Vesta Capital Growth Fund	100.00	GAM North America Fund	97.84
Japan Fund	96.29	Anchor Cap Accumulation	97.28
Dreyfus Small World Invest	96.29	Mechanized Canada Fund	95.53
Mathers	97.19	Valley Forge Fund	94.26
Valley Forge Fund	96.86	Highway Social Appreciation	94.82
GT Japan Growth Fund/A	96.76	Smith Barney First Step 1	94.09

Best Growth & Income 87		Best Growth & Income 90	
Fund	Return	Fund	Return
Inv Series TR-HI City Sp	107.58	Frost Wecker GL Energy (B)	102.23
Vesta Growth & Income	100.00	Mutual Shares Appreciation	100.79
Flightline Blue Chip Fund	99.83	Flightline Blue Chip Fund	100.11
Liberty Utility Fund/A	98.17	Meridian Blue Chip Fund	100.09
Forrest Utility Fund	98.14	EV Traditional Tot Return	98.03
ABT Utility Income Fund	95.74	Smith Barney Utilities	97.19
Franklin Utilities	93.60	Lehigh Valley Utility	97.14
Physic Corp Utilities	93.71	Cooley Fund	96.47
Wells Series Fund-Velco	92.72	Pacific Utilities Income	96.46
Pratt Wecker GL Energy (B)	92.50	Burman Fund/A	96.22

Best Income 87		Best Income 90	
Fund	Return	Fund	Return
National Total Return	102.56	Pineau Corporate Asset TR	99.12
Capital Income Builder	95.27	Lindner Dividend Fund	97.49
United Savr Income	94.35	GT Equity Income Fund	96.25
Putnam Corporate Asset TR	93.19	Easton Vance Equity Income	95.25
Lindner Dividend Fund	93.40	Oppenheimer Equity Income	93.91
Income Fund of America	92.43	Value Line Income Fund	93.83
United Income	92.92	Parkstone HI Int Equity C	93.75
Liberty Equity Income/A	88.45	United Savr Income	93.21
Stearns Total Return FD	88.37	Capital Income Builder	92.86
Oppenheimer Equity Income	87.41	American National Income	92.99

Source: Micropal

Full of Good Intentions: Funds as 'Insurance'

Shareholders will certainly do fine if the DAX falls 20 percent by March 30, 1995, when the fund comes due. Their initial investment of 20 Deutsche marks per share, or about \$11.70, will grow to 33 DM, for a gain of 65 percent. A 10 percent fall in the DAX will produce a share price of 25.20 DM, or a gain of 25 percent.

The fund actually invests most of its assets in cash instruments while placing a portion in put options on the DAX, the principal index of German shares. A put option is a leveraged bet that prices will fall.

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Indeed, Deutsche officials say many of the people buying this fund do own conventional equity funds.

If they do not, this fund is a straight bet on a bear market, and not a very effective one. The 20 DM price includes a 1 percent sales charge, so only 19 DM is being committed, and most of that is only going into a bank account, or something like it.

It is possible that Deutsche Bank can negotiate premiums on its options cheap enough to make this fund cost-effective, but hedgers who want to employ such a strategy would do well to shop around. They might be able to find an ordinary put option cheaper.

Gold, a Solid Investment?

Rank	Fund	Over 1 year to Nov. 30, '93	Over 3 years to Nov. 30, '93
1	Mercury Gold & General	236.05	168.92
2	Lexington Strategic Inv	197.56	70
3	M&G Island Gold	115.42	12
4	Gold Portfolio	111.25	4
5	Guinness FI GSF Global Gold	107.74	23
6	M&G Gold & Genl	104.17	15
7	Waverley Australasian Gold	100.84	6
8	S&P Gold & Exploration	100.41	5
9	NM Gold	97.38	37
10	Prov Capitol Gold Trust	95.24	17
88	Sector Average	55.05	81

Values of \$100, months reinvested, excluding dividends. Source: Datastream, Micropal. International Herald Tribune

Golden Past Seeks a Modern Context

By Philip Crawford

FOR HUNDREDS of years, gold has been perceived as one of the safest forms of investment, reasonably sure to hold its value through recessions, depressions, political crises, and periods of high inflation.

But does gold really perform like that today? Moreover, for small investors seeking some exposure to gold in their portfolios, is it more advisable to buy shares in individual mining concerns, shares in funds that invest in gold, or to take delivery of the precious metal itself in the form of coins or small bars? And what's the outlook for the bullion price in 1994? Analysts' opinion is diverse on most counts.

To be sure, the gold price has been anything but stable over the past 12 months. Opening the year at about \$330 an ounce, gold began a sweeping surge in March, which, fueled by buying through the derivatives markets and an early summer cut in German interest rates, culminated in the shattering of the \$390 mark in early July. The worsening European currency crisis then set off a buying spree, which sent the price to an intra-day high of nearly \$410 on July 30.

But the bubble burst in August, and the same futures funds that had bought so aggressively during the spring started selling with equal vigor, helping to shove the gold price down to an intra-day low of about \$340 on Sept. 13. The price has since recovered, and is now in the \$385 to \$390 range.

Events such as the European currency crisis, which cast shadows of uncertainty over both the political and economic arenas, have long tended to increase the demand for gold among investors. And many

of today's analysts say that such defensive moves into gold are still, generally speaking, a good course of action.

"In times of political crisis, people start looking for safe havens," said Michael Coulson, a gold analyst at Credit Lyonnais Laing in London. "The breaking out of the Gulf War, for example, caused a mini-boom in the gold price. I think that continuing anxiety about currencies and national deficits will steer more people into gold in 1994 and 1995, and that we'll see demand outstripping supply, which will help push the price up."

Rhona O'Connell, a gold analyst at the London brokerage T. Hoare & Co. said that gold can be an effective defense for national economies as well as for retail investors in times of political unrest. "You've got to have something to fall back on," she said. "Take China after Tiananmen Square. It had to sell a lot of gold to shore up its banking system and currency, because everybody was taking their money out of China."

Looking at gold purely as a hedge against inflation, another of the precious metal's long-reputed qualities, Ms. O'Connell said that the effectiveness of gold depended on the market in question. "Gold is a much more effective hedge in developing countries where you don't have all of the derivative securities and where inflation rates are high," she said. "In the developed countries, where the outlook on inflation is currently not too worrisome, there are other alternatives such as treasury bills and index-linked gilts."

Mr. Coulson said that while gold provided, on the whole, good protection from inflation, it lost some of its luster during periods of low inflation. "During those periods, like we've been experiencing since

the late '70s," he said, "there are times to be in gold and times to be out of it. I think one of the best times to be in gold is when inflation is relatively high and the dollar is a bit weak, but not seriously so."

Robert Barbera, an economist at Lehman Brothers in New York, said that gold has not been a very good hedge against inflation over the past 15 years. "The success that central banks have had in keeping inflation down over that period have made such a hedge a very expensive proposition," he said. Mr. Barbera added that while currency crises around the world have helped boost investor demand for gold, he found it difficult to imagine such a scenario in the United States. "You've got to call an awful lot of things into question to say that cash is actually at risk."

Many analysts recommend funds as the best vehicle for small investors seeking exposure to gold, as portfolios tend to spread risk over many mining concerns, as well as over physical holdings of gold and other precious metals. Restrictions on funds concerning the holding of physical gold, moreover, appear to be relaxing. Analysts add that the expertise of a good fund manager is particularly vital when dealing with the somewhat arcane world of commodities.

"If the market suddenly turns and the fund manager has to get the shares out, he will," said Ms. O'Connell. "If you're an individual investor chasing a falling market, you might not make it."

The best-performing gold funds over the past year, according to global fund-tracker Micropal, have been the Mercury Gold & General fund, a U.K. unit trust, the Lexington Strategic fund, a U.S. mutual, and the offshore M&G Island Gold fund. Those funds returned 136 percent, 97 percent, and 15 percent, respectively, for the year ended Nov. 30.

Moreover, for investors who prefer to select shares of individual companies as opposed to going to a fund route, the analyst's consensus on attractive mining shares appears fairly uniform. In North America, American Barrick Resource Corp., Newmont Gold Co., and its parent, Newmont Mining Corp., are among many "buy" lists. In Australia, Kalgoorlie Resources and Poseidon Gold Ltd. are receiving good notices. And in South Africa, Bushmills Gold Mining Co., Western Areas Gold Mining, and Kierulff Mines Ltd. are getting the nod from analysts.

Of course, some investors prefer the pleasures of physical gold, more easily available through coins, according to the World Gold Council in London, global sales of the fine leading international coins — the Australian nugget, the Austrian philharmoniker, the Canadian maple leaf, the U.K. Britannia, and the U.S. eagle — rose 56 percent during April and May compared with the same two months a year earlier.

Analysts say one aspect of gold coins is that they are a "pure play." "With coins, you're just dealing with the price of gold," said Michael Temple of Gold Investments Ltd., a London gold-trading firm. "With shares, you're also exposed to all of the other factors which affect equity markets in general."

Mr. Temple forecasts a 10 percent to 15 percent rise in the gold bullion price in 1994, while Miss O'Connell said she did not see gold rising above \$410 an ounce. Mr. Coulson was more optimistic: "I think gold will move a lot higher over the next two years, easily crossing the \$400 barrier. In fact, considering all the factors, I wouldn't be surprised to see gold surpass \$500 an ounce."

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It must be remembered that the value of shares and the income from them can decrease as well as increase and that the past performance figures shown are not indicative of future performance.

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THE MONEY REPORT

Bonds Look Firm, Same Again for Asia



Howard Flight, director, Guinness Flight Global Asset Management

As anticipated, the sharp rise in bond values and fall in bond yields of the spring and summer, have been followed by a period of consolidation. U.S. dollar long bond yields have moved back 6 percent, prompting some commentators to suggest that the positive cycle for bonds may be drawing to a close, and implicitly, that bond yields could rise in 1994. It is undoubtedly true that interest rate movements will continue to be cyclical in nature, mirroring, with a lead, real economies.

next year. The more buoyant U.S. growth of the third and fourth quarters may slow a little in 1994, as U.S. consumption has grown faster than incomes in 1993. U.S. inflation could well be below 2 percent in 1994, helped by a strengthening dollar and falling oil prices.

Outlook

the U.S. economy continues to grow at its current pace, U.S. banks are likely to change the constitution of their portfolios of assets, potentially reducing the bond element. Perhaps the real point is that for the next year or so investors should not expect the high levels of total return seen from both bonds and equities over the last year from any class of financial asset. In this context the argument in favor of bonds remains powerful.

delay and the vigor with which the Federal Reserve will react to the current above-trend growth rate of the U.S. economy may unsettle the markets. Second, the Bundesbank, true to form, is bound to keep the markets on the edge when it comes to the timing and scope of its next casing of monetary policy.

Outlook

Two more recent uncertainties include the epilogue of the GATT saga and the surprise outcome of the Russian election. These four concerns should certainly provide a bad case of indigestion for the markets (equities in particular).



Anna Tong, director, Aetna Investment Management (Hong Kong) Ltd.

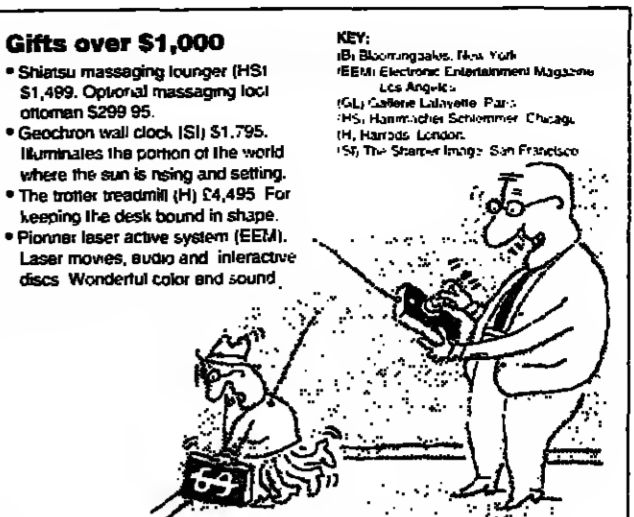
The Asian equity markets outside of Japan have enjoyed a spectacular 1993 as a result of a confluence of interrelated factors. These include falling interest rates, enormous foreign equity investment, strong underlying economies, positive earnings surprises, a favorable supply-demand scenario for equities in general, and some of the most aggressive retail investors in the world. Whether 1994 will provide ground for bull markets will be largely determined by these same forces.

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Moltonized be rack (SI) \$39.95.
Pocket Rolodex file (B) \$59.95.
Remote control wristwatch (HS) \$89.95.
Aurumum etatich case (GL) 495FF.
Traveling razor set 145FF.
Mankure set \$85FF (GL).

Gifts over \$1,000

- Shiatsu massaging lounger (HS) \$1,499.
Geochron wall clock (SI) \$1,795.
Espresso/Cappuccino maker (GL) \$299.99.
Laser pen pointer (H) \$199.95.
MC2 + (H) \$169.95.
Personal Data Assistant (HS) \$899.



Christmas Gifts Can Be Tricky Business

IT'S that time of year again. Here are some suggested buys, mostly from people who sell. Susan Miller, vice president of shopping services, Bloomingdale's, New York: "Bloomingdale's offers its customers a corporate gift book that we use year-round specifically for corporate needs."

forget, busy executives need to have some just plain fun. Carole Hopkins, customer service representative, Harrods, London: "When shopping, don't be afraid to ask for help from the customer service representatives."

something that someone isn't going to use. The idea behind the Sharper Image is to offer the affordable fantasy. In conclusion, readers should remember that the giving of gifts is a delicate matter, usually heavy with cultural significance.

The last thing you want is to find your Christmas gift construed as an insult, a joke or a bribe.

BRIEF CASE

Herzfeld Equity Fund Taps Cuban Market: Miami's Cuban population is not the only group betting on the fall from power of Fidel Castro, and the lifting of the 28-year trade embargo of Cuba.

with publicly traded stocks in the United States and the Caribbean, which will rise when the embargo is lifted," said Mr. Herzfeld. One example would be Florida East Coast Industries, a rail line that carries freight to the port of Miami, but the money manager also plans to buy companies in markets like Barbados and Jamaica.

Inspection Replaces Fund Self-regulation: Offshore domicile Grand Cayman has enacted new legislation that will provide for direct regulation of its fund industry by the island's inspector of financial services.

ment. Island-based investment professionals say the new "Mutual Fund Law" is partially aimed at shoring up Cayman's image. The new regulations involve licensing requirements for mutual funds and for their administrators.

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SPORTS

In Downhill Opener, Race Is to the Young

Girardelli, Ortlieb Upset

By Ken Shulman

VAL GARDENA, Italy — A pair of upstarts swept aside a cast of heralded veterans on Friday, taking the top places in the first men's downhill of the World Cup Alpine skiing season.

Marc Girardelli, the five-time World Cup champion, had needed a victory to turn around a difficult season. Patrick Ortlieb of Switzerland had hoped to prove that his 1992 Olympic downhill victory at Val d'Isere was not a fluke.

But as Girardelli was on his way back to his hotel room to celebrate his supposed triumph, Austria's Werner Franz bumped him out of first place by 0.12 seconds.

Minutes later, Liechtenstein's Markus Foser barreled down the course in 2:08.90, 0.19 faster than Franz's time, becoming the first skier from his nation to win a World Cup men's competition.

"I knew I was skiing fast, but I thought I had made too many errors," said Foser, 26, who is trained by the former Swiss Olympic champion Marie-Therese Nadig.

Canada's Rob Boyd, who has won twice in Val Gardena, finished fourth, 0.36 seconds behind the leader, while his countryman Darren Thornburn was fifth, 0.38 seconds off the pace. Ortlieb skied the course in 2:09.29 to take sixth place.

Last year's World Cup downhill champion, Franz Heinzer of Switzerland, was a distant 58th. Kjeil Andre Aamodt of Norway, the current World Cup overall leader, finished 48th, while Ginter Mader of Austria, who is second, was 58th, even with Heinzer.

Aamodt leads Mader by 357 points to 342, and holds a 63-point lead over Italy's Alberto Tomba. Tomba does not compete in downhill or super-giant slalom races.

Foser, who started with number 66, and Franz, who wore 52, took advantage of a track that grew faster as the race proceeded.

"There was a lot less wind for us than there was for the first racers," said Franz, 21. "And the skiers who went before us packed down the snow."

They also had another edge. Both knew the course and its conditions well, as they had competed in last week's European Cup downhill at Val Gardena, with Foser winning the race just ahead of Franz.

"Before today's race, my coach told me that the conditions were similar to last week's," said Foser, whose European Cup win was his first in any major competition. "But then she said to forget about the European Cup, and just to concentrate on cutting the fastest track I could."

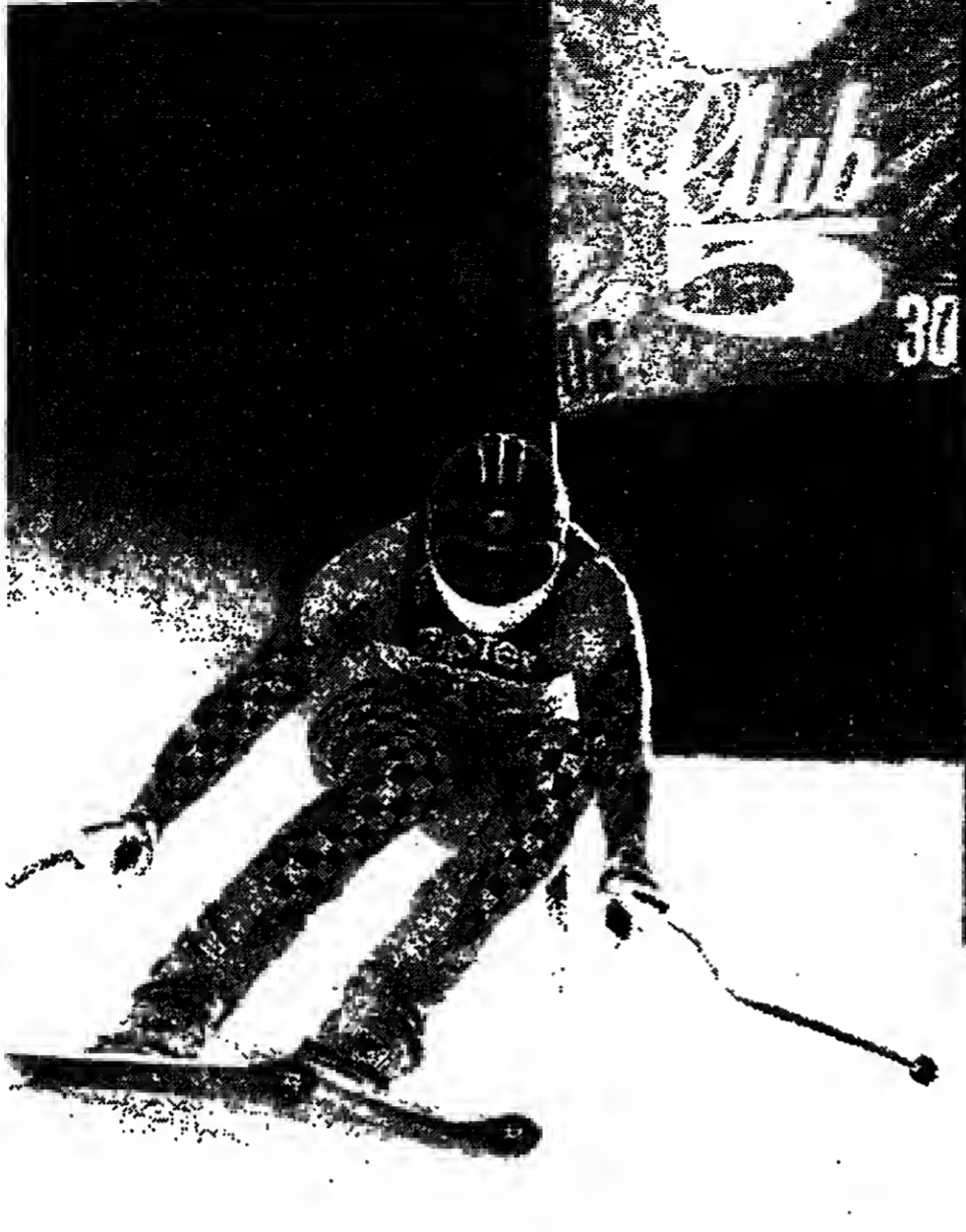
On Friday, the winner and runner-up skied nearly perfect races. Both timed their jumps on the back-to-back "Camel's Hump" jumps well, and cut fast, narrow paths through the tricky "Ciaslat" curves near the bottom of the course.

Despite the disappointment, it was a significant race for Girardelli. The 30-year-old veteran from Luxembourg was coming off one of the worst starts in his career. His last two outings had been disastrous: a 45th-place finish at the giant slalom in Val d'Isere, and a fall in Monday's slalom at Sestriere, where he had been in fifth place after the first run.

The third place showing Friday lifts his point total to 166, boosting him from 13th to ninth place in the overall standings.

St. Anton Race Canceled
A women's World Cup downhill scheduled for Friday has been called off because of high winds. Reuters reported from St. Anton, Austria.

The race had been added to the combined downhill and slalom race scheduled in St. Anton for the weekend as a substitute for a downhill in Veyssonnaz, Switzerland, canceled because of bad weather.



Markus Foser of Liechtenstein upstaged the stars Friday at Val Gardena to win the downhill opener.

With Potent Offense, Broncos Hold an Edge Over the Bears

New York Times Service

BRONCOS (8-5) at BEARS (7-6): KEY STAT: Broncos averaged 16.2 points per game last season, 24.6 this season; Bears have allowed long run of only 26 yards. **COMMENT:** The Bears offense continued to sag in its loss at Tampa Bay and now it faces the team that leads the AFC in point production. The Chicago defense has excelled this season but the Bears have little chance here if their offense does not show drastic improvement. It is unlikely against the Broncos, who feature safeties Steve Atwater and Dennis Smith as anchors on the defense. The Broncos may have discovered some-

NFL MATCHUPS

thing special on offense with a two-tight-end alignment that features Shannon Sharpe, who made three scoring catches vs. the Chiefs and is as mobile as he is strong. Oddsmakers favor the Broncos by 2 1/2 points.

COWBOYS (9-4) at JETS (8-5): KEY STAT: Cowboys can clinch 22d playoff berth in 33 seasons; Jets have allowed only four touchdowns in last seven games. **COMMENT:** This game is important for the Dallas hopes to win the NFC East and critical for the Jets hopes to reach the playoffs. With so much on the line, both teams should enter primed for a matchup of big-play challenges. Dallas is more likely to produce in big plays but expect the Jets offense to wake up in this matchup. Cowboys by 6 1/2.

BILLS (9-4) at DOLPHINS (9-4): KEY STAT: Bills have won three straight and six of seven in Miami; Dolphins quarterback Scott Mitchell is 3-1 as a starter. **COMMENT:** Miami dropped two straight at home (to Giants and Pittsburgh) and seeks to avoid losing three straight in Joe Robbie Stadium. It is hard to imagine, especially with Mitchell returning at quarterback. The Dolphins will sorely miss cornerback Troy Vincent, out for the season with a knee injury. Miami has been hard hit by injuries but has enough left to rebound and win the AFC East. Dolphins by 3 1/2.

OILERS (9-4) at STEELERS (8-5): KEY STAT: Oilers, 5-0 in divisional play, can win AFC Central title; Steelers tops in AFC rushing (131.8 yards per game). **COMMENT:** Pittsburgh showed great resolve and an aggressive, blitzing defense in its victory in Miami on Monday and seeks more against Houston. Barry Foster's return from an ankle injury is unlikely but Leroy Thompson has proved a capable fill-in. Houston must overcome an emotional week with the suicide death of teammate and defensive tackle Jeff Alm. The Steelers secondary does as good a job as any team vs. Warren Moon and Pittsburgh quarterback Neil O'Donnell has been steady and productive. Look for the Steelers to continue their roll and tie Houston for the divisional lead with two games to play. Steelers by 2 1/2.

PATRIOTS (2-11) at BROWNS (6-7): KEY STAT: Patriots back Leonard Russell needs 116 yards for 1,000 rushing yards; Browns have converted league-best 10 of 12 fourth downs. **COMMENT:** Bill Parcells greets his former Giants defensive coordinator Bill Belichick and they can trade horror stories on how their seasons have gone away. For the Patriots, it has been an uphill climb all the way with too many close losses to swallow. For the Browns, it has been a year of turmoil with the Bernie Kosar flap still fresh in Cleveland. Browns by 6 1/2.

RAMS (4-9) at BENGALS (1-12): KEY STAT: Rams play only their second game in Riverfront Stadium in 10 years; Bengals safety Darryl Williams leads team with 104 tackles. **COMMENT:** Jerome Bettis was brutal vs. New Orleans rushing for 212 yards and a touchdown in his fifth 100-yard rushing game of the season. This rookie runs low, hits hard and has deceptive speed for a big back. The Bengals will have a rough time tackling him, and look for the quarterback T.J. Rubley (six touchdowns, four interceptions) to continue to cement his stature as the Rams quarterback for 1994. Rams by 2 1/2.

FALCONS (6-7) at REDSKINS (3-10): KEY STAT: Falcons Bobby Hebert has career-best 22 touchdown passes; Redskins Reggie Brooks has

league's longest runs of 78 and 85 yards. **COMMENT:** Atlanta has never won in Robert F. Kennedy Stadium but this is their best shot. Washington was shut out there by the Jets by 3-0 and it continues to stomp in ways considered unimaginable before the season. The fact that the Falcons have won six of eight and are still in the playoff hunt gives them an edge. Falcons by 5.

VIKINGS (6-7) at PACKERS (8-5): KEY STAT: Vikings Jim McMahon 23-1 vs. NFC Central teams other than Vikings in last 24 starts; Packers Sterling Sharpe leads league with 93 catches. **COMMENT:** Green Bay was impressive in its win at San Diego and can sweep Minnesota for the second straight season. It is a big game for the Packers with two left to play, including a season finale at Detroit, which it currently shares the NFC Central lead. The Vikings believe they can make the playoffs with three straight wins but Green Bay won't allow it. Packers by 7.

CHARGERS (6-7) at CHIEFS (9-4): KEY STAT: Chargers have not won at Arrowhead Stadium since 1989; Chiefs Joe Montana is 30-9 in December games. Montana was tough on himself after the Denver loss; look for him to rebound strongly in this game. Chargers coach Bobby Ross says that his team has problems. Chiefs by 8.

BUCCANERS (4-9) at RAIDERS (8-5): KEY STAT: Buccaneers 0-2 vs. Raiders; Raiders Tom Brown needs 117 receiving yards for first 1,000-yard receiving season in four years. **COMMENT:** "They were laughing at us in wacumpa. They were pointing and joking and making fun at us, and it made us furious." Tampa Bay cornerback Martin Mayberry said that and the anger translated into sound play and a victory. Tampa Bay coach Sean Whycze said afterward that his team was ready for the big boys. Maybe next year, not this year. Raiders by 9 1/2.

49ERS (9-4) at LIONS (8-5): KEY STAT: 49ers can earn 10th straight 10-win season; Lions quarterback Erik Kramer threw for 257 yards, three touchdowns and no interceptions vs. Phoenix. **COMMENT:** Kramer made his first start last week and was superb in the pocket, standing tall vs. the Phoenix rush and releasing the ball and absorbing big blows at the last second on each of his touchdown tosses. The 49ers defense is suspect and Kramer and the Lions can exploit it, but the Lions have no one that can cover Jerry Rice for four quarters. 49ers by 14.

CARDINALS (4-9) at SEAHAWKS (5-8): KEY STAT: Cardinals linebacker Ken Harvey and Freddie Joe Nunn lead team with six sacks apiece; Seahawks Rick Mirer has NFL rookie-record 288 completions. **COMMENT:** Larry Wilson resigned as the Phoenix general manager and coach Joe Bugel is in for a fight to save his job after the season. In the noisy Kingdom, Mirer needs plenty more help. Seahawks by 14.

EAGLES (8-8) at COLTS (4-9): KEY STAT: Eagles make first trip to Hooper Dome; Colts have allowed 19 sacks compared with 36 at this juncture last season. **COMMENT:** The Eagles offensive woes continue and now they learn that Randall Cunningham will not return for the final three games of the season. A bright spot has been back Herschel Walker, who leads the team in rushing yards (584) and is tied with the Chargers Ronnie Harmon for most catches by a back (58). Pick 'em.

GIANTS (10-3) at SAINTS (7-6): KEY STAT: Giants quarterback Phil Simms is three shy of 200 career passing touchdowns; Saints linebacker Renaldo Tumbull leads NFC with 12 sacks. **COMMENT:** The Giants have the most victories in the NFL. They meet New Orleans after the Saints defense was completely run over by Jerome Bettis and the Rams. Rodney Hampton and the Giants offensive line look for a big day vs. that defense, which should recover and make the running game much rougher for the Giants. Pick 'em.

These National Football League matchups were prepared by Thomas George of The New York Times. Odds were provided by Harrah's.

Post-Cold War Thaw on Ice: One Coach, 2 Nations

By Gerald Eskenazi

New York Times Service

NEW YORK — Olympic coaches cross national lines all the time; Americans coach other nations' basketball teams. Croats coach foreign water polo squads.

But Natalya Dubova is in a unique situation. She is in Lake Placid, New York, these days coaching American and Russian ice dancers, who could wind up competing against each other in the 1994 Lillehammer Games.

Dubova has two months left to work on the collective heart, mind and body of two people and make them one. In short, she is teaching American dancers, she says, to be like Russian dancers.

Dubova, 45, is renowned in ice dancing circles. She left Russia last year to set up an instructional school in Lake Placid, where she now lives.

But she is not only teaching Americans whom she hopes will compete in the Olympics. She is also coaching Russia's—if not the world's—top dancers, Maia Usova and Alexander Zhulin. At the last three Olympics, Dubova's other dancers won four medals.

This arrangement—mornings with the Americans, afternoons with the Russians—

would have been unthinkable for past Olympics.

It did not take Dubova long to realize that Americans view ice skating with a sort of well-capitalistic eye.

"It's a traditional sport for singles in this country," she said. "In Russia, they don't mind sharing their success and it is easier to find partners. Here, the mothers want the children to be the stars by themselves. And then, if you don't have a suitable partner, you must go to another city to find one, and that is difficult."

Still, she enjoys what she describes as a freedom of choice, as well as the opportunity to make money. In Russia, she said, medals are often the substitute. She does not appear to have any difficulty telling skaters here what it takes. But she understands that their goals are quite different from what she has been accustomed to.

"America's young skaters want to make results, have fun, live in the big city," she said. "Parents in this country have more of a push to compete. They don't want to wait. I told one local boy it will take one and a half years. The parent took him and moved because another coach told them they could compete immediately."

Dubova's best hope for a U.S. entrant in the Winter Games is the pair of Susan Wynne and Russ Withrby, who are also coached by Marijane Stony.

Wynne said that one of Dubova's outstanding coaching qualities was "to put the body in the best position to do well."

Her partner, Withrby, added, "She's in tune to what both partners need to do, not just one."

Of course, Dubova is constantly asked about why the Russians have done so well in the sport.

"I tell them I know one secret for success: Just work every day," she said.

A Promising Return for Witt
The two-time Olympic figure skating champion Katarina Witt celebrated a promising return to competition Friday in her uphill battle to qualify for the Lillehammer Games, news agencies reported from Herne, Germany.

But Witt, 28, still must do well in Saturday's free program, which will count for two-thirds of the final mark in the German national championship.

But she was in good position after Friday's short program, in which skaters must execute several required elements.

Witt, skating in front of judges for the first time since 1988, made a clean presentation of her "Robin Hood" program. A double Axel came off slightly shaky but otherwise it was a confident performance.

Dressed like a bowman, she drew deafening roars of approval as she completed a perfect combination of a triple toe-loop plus a double toe-loop jump.

It left her in second place going into the free program, within striking distance of her goal of finishing among the top three.

Witt gleaned one score of 5.9 out of the maximum of 6.0 for technique and another 5.9 for presentation from the nine-judge panel.

Leading after the first day, as expected, was Tanja Szewczenko, the 16-year-old rising star who excelled with a more difficult combination of a triple loop and a double toe-loop to win the technical program.

Witt needs to finish among the top three to keep alive her hopes of qualifying for the Winter Games in February.

Those three will go to the European Championship in January in Copenhagen, where only the two top German finishers will clinch Olympic berths.

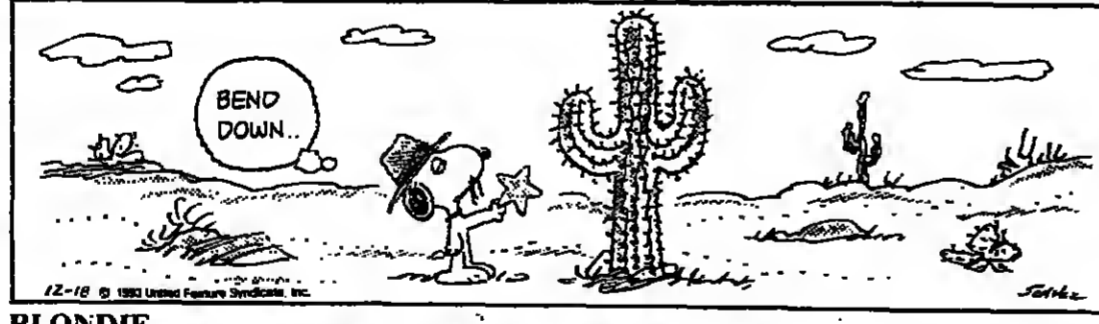
(AP, Reuters)

DENNIS THE MENACE

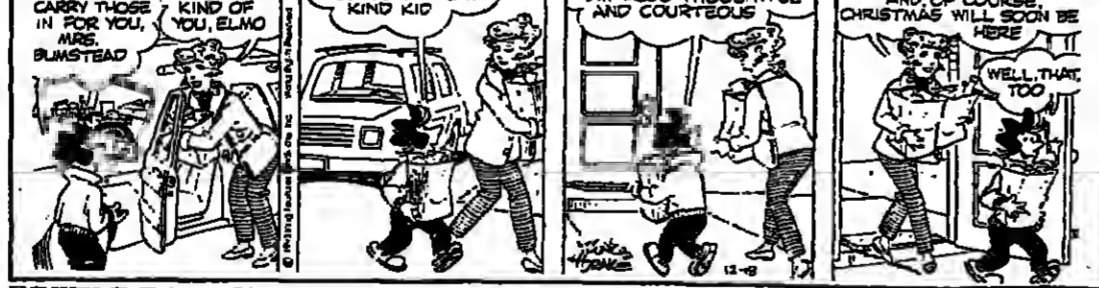


"I HOPE MARGARET DOESN'T COME OVER THIS CLOSE TO CHRISTMAS, TO HAVE TO BE AWAY FROM HER."

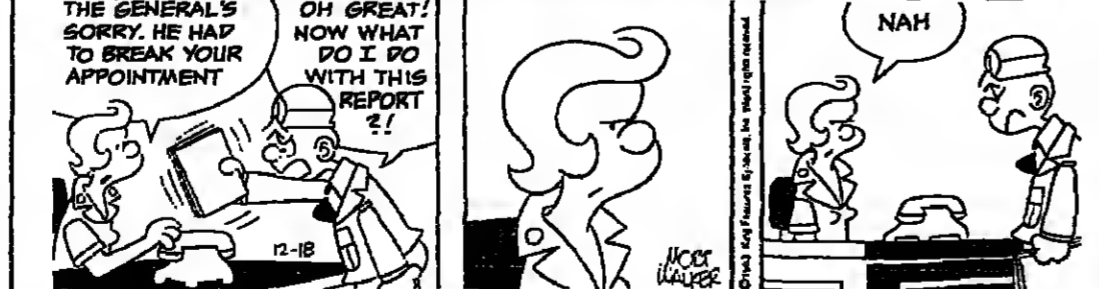
PEANUTS



BLONDIE



BEEBLE BAILEY



DOONESBURY



CALVIN AND HOBBES



WIZARD OF ID



REX MORGAN



GARFIELD



JUNBLE THAT SCRAMBLED WORD GAME
Unscramble these four letters, and letter to indicate, to bring out ordinary words.

TILIM
DEYNE
THROCC
SNORPI

WHAT THE DISC JOCKEY LIKES MOST AT THE LAUNDRY?
Now arrange the correct letters to form the correct answer, as indicated by the given letters.

Answers: MURDER, MURDER, MURDER, MURDER.

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SPORTS

In Las Vegas, FIFA's Stage Is Set for World Cup Soccer, American-Style

By Ian Thomsen
International Herald Tribune
LAS VEGAS — Soccer's bureaucrats have been ordered to Las Vegas, where they enter a casino and aren't sure how to get back out.

reposition those nations into the desired division. In effect, millions of television viewers throughout the world will be tuning in to watch FIFA cheat at solitaire.

role is more important than their record. If the U.S. team is humiliated in the first round, then Americans will be embarrassed before the rest of the world, and FIFA can forget all about harvesting this final frontier of soccer.

to kick the "first" bell from the White House Rose Garden. It will be televised via satellite to the Las Vegas Convention Center audience of 3,500 and to 80 countries live.

the only soccer player known by many Americans. It will be like putting on a Christmas parade without Santa Claus.

In Search of the Jackpot in the Gambler's Den

LAS VEGAS — A week is an eternity in the politics of soccer. Here in the gaudy heart of gambling country, FIFA suddenly has started coming out of its shell.

Note Pelé is on the list. Earlier in the week, FIFA's president João Havelange, these days so distant when he's in the room you think he might be appearing via satellite, had precluded a major role for the world's greatest soccer star.

"This is one move that has my mark," said Blatter. "Really, we have to protect the schemers, the thinkers. They have been consistently cut down by all means, and our medical committee agrees we must prohibit the tackle from behind."

AND AMONG the seeded teams, one venue stands out as an attraction. As gaudy, Belgium and Brazil have all made approaches to the committee to be placed in Boston.



ON HIS MARK — Patrick Ewing was indeed No. 1, surpassing Walt Frazier as Knicks' career scoring leader with 27 points against the Lakers. Ewing has 14,626 points, to Frazier's 14,617.

SCOREBOARD

Table with columns for Basketball (NBA Standings), Football (NFL Standings), and Hockey (NHL Standings).

Table with columns for Soccer (World Cup) and other sports results.

Table with columns for Major College Scores and other sports results.

Table with columns for World Cup Skiing and other sports results.

SIDELINES

Jacquet Is New French Soccer Coach

PARIS (AP) — Aimé Jacquet was promoted Friday from assistant coach to head coach of France's national soccer team.

Luge Coach Loses Leg in Accident

WINTERBERG, Germany (AP) — A woman member of the U.S. luge team slammed into the chief German coach during a practice run Friday.

Els Is Johnnie Walker Golf Leader

MONTEGO BAY, Jamaica (Reuters) — Ernie Els of South Africa birdied the final hole for a five-under-par 66 that gave him a one-shot lead after the first round of the Johnnie Walker world golf championship.

For the Record

The Australian Formula One Grand Prix automobile race will switch from Adelaide to Melbourne beginning in 1997, the state premier of Victoria, Jeff Kennett, announced Friday.

HO, HO, HO By John M. Samson

A crossword puzzle grid with clues listed on the left side.

New York Times Edited by Will Shortz

A crossword puzzle grid with clues listed on the left side.

ESORTS & GUIDES

Advertisement for Belgravia Orchids, Mercedes, and other services.

INTERNATIONAL CLASSIFIED

Advertisement for international classified services including travel, real estate, and business.

TO OUR READERS IN BERLIN

Advertisement for international classified services with contact information for Berlin.

DAVE BARRY

Just Another Birthday

MIAMI — If you don't have enough drama in your life, you need to celebrate a party for a group of seventh-graders.

We recently had a party for our son's 13th birthday. We rented a Holiday Inn function room, on the theory that it was roomier and less flammable than our house.

We stood near the door and greeted the guests and their parents as they arrived. There seemed like a LOT of guests, more than we recalled inviting. Apparently this party was giving off some kind of powerful airborne adolescent hormonal chemical attractant for 13-year-olds.

This song is PAIN! Makes you insane! This song grows big warts on your BRAIN!

Meanwhile, in the center of the room, things were getting very dramatic. Of course we had no clue what was going on, because we are grown-ups, and therefore way too stupid to grasp the complexities involved in being a seventh-grader.

he (the ex-boyfriend) was VERY upset because she thought HE was responsible, and he was also angry at the best friend, who was ALSO very upset because he was just trying to help out his friend and now EVERYBODY was upset, and everybody's FRIENDS were upset, and things were just so dramatic and awful that it did not seem possible that life as we now know it could continue on the planet Earth.

The central throbbing youth blob was constantly pulsating and mutating and splitting into smaller groups and subgroups to whisper, bug-discuss, commiserate or—if it was a group of boys—punch. Every few minutes a group of maybe 14 girls—at least two of them crying, and at least one of them saying something like "I can't stand it!"—would rush past us out the door and into the ladies' restroom. Moments later a dot of boys would rush out and go into the boys' restroom. Then there would be tense diplomatic negotiations between restrooms, with a small party emerging from the men's restroom to talk with a party from the ladies' restroom.

At one point, as small groups of seventh-graders were streaming urgently past me in both directions, a young lady, clearly having been briefed by her parents on proper etiquette, stopped momentarily and said to me: "Hi! I'm having a very nice time. So far."

The party lasted 3 1/2 hours, which is 46 years in chaperone time. Finally the parents came back and the music (thank God) stopped and the lights came back on and all these urgent dramatic figures turned back into seventh-graders, politely saying good night and leaving with their parents, going back to the boring old world.

Our son told us it was a good party. I kind of wished I had been there.

Me, Worry? The New York Way of Stress

NEW YORK — This city has its worries. God knows, but part of New York's magic is its zeal in finding new ones. Take the handwritten notice tacked on an elevator wall in an apartment building on East 10th Street:

Dear Chefs, Please don't bring any hot Teflon pans to the potluck supper. This material is dangerous for parrots.

Parrots! There are murderers and murderers, televised warnings that their neigh-

MARY BLUME

borhood grocer may be dangerous for your health ("flies are worse than roaches"), lipsticks on sale at Barney's with names like Envy and Anger and Decadence, and a course at the New School called "Carmen Miranda and Pêlé: Afro-Brazilian Paradoxes." And now people are supposed to worry about the Teflon effect on parrots. This being New York, they briefly and willingly do.

In other places, people succumb to stress. New Yorkers feed on it, their paranoia is like phobias. A new worry? Stroke it with arguments, bathe it in algae: "We use essential oils and seaweed, that's our main thrust," the manager of a New York day spa tells a television interviewer on holiday stress.

In the rest of the United States, stress is a problem and not a refinement. In Baltimore, high school students enroll in a stress management course; a rather whimsical new magazine tells women how not to get soaked by their plumbers, how to build a fire, and who's to blame for bell-bottoms; and on daytime television billowing self-absorbed tips who make the Michelin man look like Kate Moss.

The country is, as the saying goes, stressed-out, its pain barrier low. "There is nothing worse than the discomfort of loose-fitting shoes," says an advertisement for Heel Snugs. In fact there's a lot that's worse, including tight-fitting shoes, but people seem to fix on the bad to avoid the worst. "I am tired of them slushing in stress, they should try two days in Sarajev," a cross New York witer says.

New York, which has endured its own sort of siege for so long, may be less savvy than it was but is not yet sunk to the white; on the other hand, common or garden stress, with no savvy Big Apple twist, is now acknowledged as part of city



Nicholas Andriotti

life. Macy's Thanksgiving Day parade, in addition to a Turkey float and Beethoven balloon, had a TV shrink on its Mother Duck float.

Lenox Hill Hospital, in Manhattan, has been running a constantly expanding stress reducing program since 1985, both in a special relaxation booth and via its Tel-Med computerized data base through which telephone callers are informed not only on alcoholism, hypertension, pests and insects and smoking but, under the stress category, on every variety in the alphabet from stress and asthma to stress and ulcers.

The hospital's relaxation booth is in its Health Education Center, opposite the Pick-A-Bagel shop on Lexington Avenue at 76th Street. The center's Jill Erichsen says Tel-Med gets up to 12,000 calls a month and the center welcomes nearly 24,000 visitors a year.

"I'm telling you, in New York anything on stress and relaxation is the key thing," Erichsen says. Visitors to the relaxation booth draw a

curtain, sit in an airline-style chair and watch a soothing video of dappled sunlight on waves. "We've caught a lot sleeping, they're so relaxed."

Further downtown, just below the hypertexture pleasure of Bloomingdale's, is the new Great BackRub, a quintessentially New York set-up which offers an 8 1/2-minute massage for \$7.95, with one backrub free for every 10 paid for. According to the BackRub's spokesman, a laid-back gent named Helmi, in just over a month the shopfront operation was doing more than 150 massages a day.

Customers, fully clothed, sit backward in special chairs, offering their lumbar regions to masseurs in latex gloves (it is somehow unconvincingly clear that the gloves protect the masseurs from the customers and not vice versa). In addition to massages, the BackRub sells such products as the Knobble, the Ma Roller and the Great American BackRub Stress Buster, a small red pouch which looks like a sandbag and which, for \$3.50, is said to bring solace when squeezed.

PEOPLE

A No- Liability Clause? Stern Is Fuming Again

Raunchy radioman Howard Stern says he was ready to go to jail rather than put up a damage deposit in West Hollywood before a book signing. The disk jockey's best-selling book, "Private Parts," has drawn huge crowds at similar appearances across the United States, and Stern announced the West Hollywood signing after city officials sought a \$25,000 bond to cover possible damage and \$14,000 for police overtime. Stern says he changed the venue to Pasadena, only after the book store owner asked him not to come. Otherwise, he said, he would have showed up without paying a penny. "I was ready to go to jail."

Ronald Winston, the head of the Harry Winston jewelry company, was struck with inspiration when he heard that his friend Donald Trump would marry Marla Maples on Monday. He offered them a diamond tiara. The crown was already in the works: "From time to time, a princess will call and ask for a no-100-preprocessing tiara," he said. "I thought, 'This is for a fairy princess, and who better than Marla Maples?' The price? Somewhere between \$2 million and \$2.5 million."

Anita Hill has signed with Doubleday to do an autobiography that will deal with her sexual harassment allegations against Supreme Court Justice Clarence Thomas. Hill has not publicly discussed the allegations since she made them at Thomas's confirmation hearings in 1991.

Michael Jackson appeared on a videotape in federal court in Los Angeles, denying that he had stolen parts of "The Girl Is Mine," "Thriller" and "We Are the World." Re-named Jones and Robert Smith, childhood neighbors of the Jackson family, contend that Jackson incorporated parts of songs they had composed and taken to the Jacksons on tape. "Any songs that I take credit for on my album, any songs that say Michael Jackson are written by me," Jackson testified.

What's coming, according to his newsletter Bottom Line, includes "U.S. Savings Bond Traps," "Flawed Heart Valve Implants," "Overwatering Kills More Houseplants Than Anything Else" and "Cars with Highest and Lowest Repair Costs."

For added protection, there is a Bottom Line anthology called "The Book of Inside Information," which Marty says has sold two million copies at \$30 each. No subject is left untapped, from "Removing Ear Wax" to "Irrevocable Life Insurance Trusts" from "What Supermarkets Don't Tell You" to "Calling Turns in the Stock Market."

Marty's motto might well be: forward is forward. So what is he doing in a senseless violence zone? Good question, he says, he was late this morning because he was looking at new offices in case things got worse. "In the meantime," he added, "one in six people in this office, myself included, have black belts in Karate."

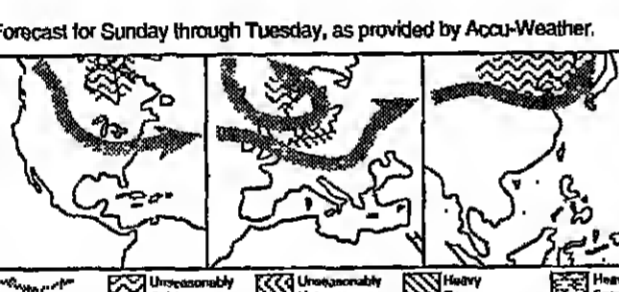
So that's life in the big city, Meanwhile, back to parrots. That warning turned out to be dead on. According to a woman from an exotic bird store on Bleeker Street, burned Teflon is poisonous not only to parrots but to all birds.

International Classified

Appears on Pages 4 & 7

WEATHER

Table with weather forecasts for Europe, including columns for Today, Tomorrow, High, Low, Wind, and Clouds. Locations include London, Paris, Rome, etc.



Forecast for Sunday through Tuesday, as provided by Accu-Weather. North America: A massive storm will move across the northern Atlantic Ocean Sunday through Tuesday...

Table with weather forecasts for Asia, Africa, and Latin America, including columns for Today, Tomorrow, High, Low, Wind, and Clouds.

Table with weather forecasts for North America, including columns for Today, Tomorrow, High, Low, Wind, and Clouds. Locations include New York, Los Angeles, Chicago, etc.

WEEKEND SKI REPORT

Table with ski resort reports, including columns for Resort, Depth, Min., Max., Res., Snow, Last, and Comments. Resorts listed include Andorra, Courmayeur, etc.

Table with ski resort reports, including columns for Resort, Depth, Min., Max., Res., Snow, Last, and Comments. Resorts listed include Carvina, Cortina, Courmayeur, etc.

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AT&T Access Numbers. How to call around the world. 1. Using the chart below, find the country you are calling from. 2. Dial the corresponding AT&T Access Number. 3. An AT&T English-speaking Operator or voice prompt will ask for the phone number you wish to call or connect you to a customer service representative.

To receive your free wallet card of AT&T's Access Numbers, just dial the access number of the country you're in and ask for Customer Service.

Large table listing AT&T Access Numbers for various countries, organized by region: ASIA, EUROPE, MIDDLE EAST, AMERICAS, CARIBBEAN, AFRICA.

AT&T Calling Card not yet available in all countries. AT&T World Customer Service... *Not available from public phones. **Public phones require deposit of coin or phone card for dial tone. ***Public phones require deposit of coin or phone card for dial tone. ****Not available from public phones. *****Not available from public phones. *****Not available from public phones.



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